

## WAM Leaders and QV Equities set to merge

12 March 2024  
ASX announcement  
and media release

WAM Leaders Limited (**WAM Leaders**) (ASX: WLE) and QV Equities Limited (**QVE**) (ASX: QVE) are pleased to announce that they have entered into a Scheme Implementation Agreement (**SIA**) (which is annexed to this announcement) to merge the two entities (**Proposed Transaction**).

It is proposed that WAM Leaders will acquire 100% of the shares in QVE through a Scheme of Arrangement (**Scheme**). Under the Scheme, QVE shareholders will have the option to receive either new WAM Leaders shares (**Scrip Consideration**) or cash (**Cash Consideration**), or a combination of both.

Scrip Consideration will be based on the pre-tax net tangible assets (**pre-tax NTA**) per share of WAM Leaders and QVE. QVE shareholders will not be offered a fixed number of shares in WAM Leaders. The number of WAM Leaders shares that QVE shareholders will receive will be determined by a formula based on the pre-tax NTA of QVE and WAM Leaders on the date on which the Scheme becomes legally binding (**Calculation Date**).

QVE shareholders may elect to receive cash for their QVE shares at a 2.5% discount to the pre-tax NTA per share of QVE on the Calculation Date, or a combination of both Scrip Consideration and Cash Consideration. The payment of Cash Consideration and allotment of WLE shares for the Scrip Consideration (as per each QVE shareholder's election) will be effected as at the Implementation Date, which is expected to occur in mid July 2024.

### **Scrip Consideration** – pre-tax NTA

**WAM Leaders shares** – the number of new WAM Leaders shares to be issued to each QVE shareholder will be calculated by reference to the relative pre-tax NTA per share of WAM Leaders and QVE on the Calculation Date, determined in the same manner as per each company's periodic announcements to the ASX in accordance with the ASX Listing Rules and the Australian Accounting Standards. The pre-tax NTAs of each entity will be adjusted for any associated Transaction Costs<sup>1</sup>.

### **Cash Consideration** – 2.5% discount

QVE shareholders will receive cash equal to a 2.5% discount to the QVE pre-tax NTA per share on the Calculation Date, after adjusting for Transaction Costs<sup>1</sup>. QVE shareholders can elect Cash Consideration or part Scrip Consideration and part Cash Consideration.

For example<sup>2</sup>, based on the most recently reported pre-tax NTAs of QVE (as at 8 March 2024) and WAM Leaders (as at 29 February 2024):

- QVE shareholders would receive 0.7609 new WAM Leaders shares for each QVE share they hold under the Proposed Transaction as Scrip Consideration (**Indicative Exchange Ratio**);
- This represents an indicative market value of \$1.058 per QVE share, a 16.9% increase over the closing price of QVE on 30 January 2024, and 18.3% uplift over the one-month VWAP of QVE up to and including 30 January 2024, being the date prior to the announcement of WAM Leaders' intention to make an off-market takeover bid for QVE (**Takeover Offer**); and
- The Cash Consideration would be \$1.02 per QVE share, a 2.5% discount to the QVE pre-tax NTA per share on 8 March 2024.

It is the current intention of the WAM Leaders Board to ensure that all QVE shareholders who receive WAM Leaders shares as part of the Scrip Consideration under the Scheme will be eligible to receive the FY2024 fully franked final dividend guidance of 4.6 cents per share announced by WAM Leaders on 26 February 2024.

<sup>1</sup> Transaction Costs of QVE (as that term is defined in the SIA) includes, inter alia, D&O Run-Off Insurance, termination fees in respect of the Management Agreement (0.9% of QVE's net tangible assets) and professional advisers.

<sup>2</sup> Based on WAM Leaders' pre-tax NTA of \$1.38 per share as at 29 February 2024 and closing share price of \$1.39 per share on 11 March 2024 and QVE's pre-tax NTA of \$1.05 per share and closing share price of \$0.905 per share on 30 January 2024 and the one-month volume weighted average price (**VWAP**) of QVE shares traded on the ASX up to and including 30 January 2024 of \$0.894. The indicative market value depends on the value of WAM Leaders' share price and pre-tax NTA and QVE's pre-tax NTA, at the Calculation Date and the WAM Leaders share price at the time the Scheme Consideration is issued (on the Implementation Date), which could be higher or lower than the example used. Similarly, the Cash Consideration depends on QVE's pre-tax NTA on the Calculation Date and could be higher or lower than the example used. The example excludes any Transaction Costs of QVE that may continue to be incurred in relation to the Scheme.

It is also expected that QVE shareholders will receive a quarterly dividend determined in its ordinary and usual course of business of up to 1.3 cents per share for the March 2024 quarter under the Proposed Transaction, to be paid in June 2024. Any such dividend declared by QVE will not exceed 1.3 cents per QVE share.

WAM Leaders Chairman and Chief Investment Officer Geoff Wilson AO said: “The WAM Leaders Board of Directors and QVE’s Independent Directors believe that the Scheme will be beneficial to both companies and result in a strong merged entity leveraging Wilson Asset Management’s investment strategy and experience in managing listed investment companies, to the benefit of all shareholders. We look forward to welcoming QVE shareholders to the Wilson Asset Management community.”

### Application to ASIC for conditional relief in relation to the Takeover Offer

The proposed merger of WAM Leaders and QVE follows the announcement of the Takeover Offer by WAM Leaders on 31 January 2024 and the announcement by QVE of a formal evaluation of strategic options for QVE. WAM Leaders has applied to the Australian Securities and Investments Commission (ASIC) for conditional relief from certain obligations under the *Corporations Act 2001* (Cth) in relation to the Takeover Offer. If granted, that ASIC relief would extend the period for making the Takeover Offer to a date allowing time for the Proposed Transaction to be considered by QVE shareholders for approval.

### Recommendation by the QVE Independent Directors

Each of the QVE Independent Directors<sup>3</sup> recommends that QVE shareholders vote in favour of the Scheme at the Scheme Meeting subject to no Superior Proposal emerging and subject to the Independent Expert concluding (and continuing to conclude) that the Scheme is in the best interests of QVE’s shareholders. Subject to those same qualifications, the Independent Directors each intend to vote any shares they own or control in favour of the Scheme.

Reasons for the QVE Independent Directors’ recommendation will be provided in a Scheme Booklet, which QVE will distribute in due course. The Scheme Booklet will include details of the Scheme, including a copy of the Independent Expert’s report, the formal scheme of arrangement documentation and details regarding the forthcoming meeting of QVE shareholders.

QVE Chairman and Independent Director Peter McKillop said: “We are pleased to announce the Proposed Transaction, which represents an enhanced offer compared with the Takeover Offer and is an attractive proposition for QVE shareholders providing the opportunity to narrow the persistent valuation discount to NTA and realise consideration for their shares at a premium to QVE’s recent share price history.”

### Key benefits of the Proposed Transaction

The Proposed Transaction would result in a single listed investment company (LIC) with a larger capital and shareholder base and greater on-market liquidity. The WAM Leaders Board of Directors believe the merged entity will deliver the following benefits to QVE shareholders:

- a stable and clearly articulated investment strategy and a proven investment manager with a track record of providing long-term investment portfolio outperformance for shareholders;
- access to a higher annual fully franked dividend yield;
- access to a more sustainable fully franked dividend as indicated by WAM Leaders’ history of paying fully franked dividends to shareholders and its superior profits reserve;
- access to Wilson Asset Management’s investment expertise, experience and commitment to shareholder engagement;
- access to WAM Leaders’ significantly larger market capitalisation and on-market liquidity; and
- a reduced management expense ratio as a result of the removal of duplication of expenses such as ASX listing fees, share registry fees, audit fees, compliance costs and other public listed company costs, as well as a larger pool of assets across which to spread expenses.

<sup>3</sup> Comprising Peter McKillop, Eamonn Roles and Linda Fox (QVE Independent Directors).

## Key benefits of the merger for QVE shareholders

The Proposed Transaction with WAM Leaders offers QVE shareholders the following benefits:

- the potential for QVE shareholders to narrow the valuation discount to NTA and exit their investment at a premium to QVE's recent share trading history;
- the option to receive Scrip Consideration (i.e. new WAM Leaders shares) equal to QVE's pre-tax NTA per share<sup>4</sup>, or alternatively the Cash Consideration at a 2.5% discount to QVE's pre-tax NTA per share<sup>4</sup>, or a combination of the two;
- the potential for scrip-for-scrip capital gains tax rollover relief for QVE shareholders who receive the Scrip Consideration, subject to their own individual circumstances; and
- the potential for QVE shareholders who receive Scrip Consideration to share in the benefit from any residual QVE franking credits transferred across to the combined entity.

## Key benefits of the merger for WAM Leaders shareholders

The WAM Leaders Board of Directors believe the Proposed Transaction will provide WAM Leaders shareholders with access to greater on-market liquidity through a larger market capitalisation of almost \$2.0 billion (based on the WAM Leaders share price on 11 March 2024) with approximately 30,000 shareholders<sup>5</sup>.

It will also increase WAM Leaders' relevance in the marketplace while providing a lower management expense ratio as a result of the removal of duplication of expenses such as ASX listing fees, share registry fees, audit fees, compliance costs and other public listed company costs, as well as a larger pool of assets across which to spread expenses.

## Scheme Implementation Agreement and indicative timeline

WAM Leaders and QVE have entered into the attached Scheme Implementation Agreement (**SIA**), which contains the terms and conditions on which WAM Leaders and QVE will implement the Proposed Transaction. The SIA includes a number of customary clauses and is subject to a number of conditions precedent including QVE shareholders approving the Scheme in accordance with the *Corporations Act 2001* (Cth), the Independent Expert concluding (and continuing to conclude) that the Proposed Transaction is in the best interests of QVE shareholders and the Court approving the Scheme.

Subject to any adjustments required by ASIC or ASX, the date and time for determining the exchange ratio will be 5pm on the date the Scheme becomes legally binding, i.e. after both QVE shareholders and the Court have approved the Scheme. This will ensure that any changes to QVE's and WAM Leaders' pre-tax NTA per share before the Scheme has been approved by the Court will be accounted for in the determination of the exchange ratio for the Scrip Consideration and the value of the Cash Consideration.

It is currently anticipated that QVE shareholders will be given the opportunity to vote on the Scheme at a meeting expected to be held in late June 2024. Detailed information relating to the Scheme will be set out in the Scheme Booklet, which is expected to be sent to QVE shareholders during mid-to-late May 2024. An indicative timetable for the Proposed Transaction is set out below:

Event	Expected Date
First Court Date	Mid – Late May 2024
Scheme Booklet sent to QVE shareholders	Mid – Late May 2024
Scheme Meeting	Late June 2024
Second Court Date	Early July 2024
Effective Date / Calculation Date for the exchange ratio	Early July 2024
Record Date	Early July 2024
Implementation Date	Mid July 2024

The indicative timetable may change and is subject to finalisation and review with the ASX.

QVE shareholders do not need to take any specific action at this time.

<sup>4</sup> As determined at the Calculation Date.

<sup>5</sup> Market capitalisation is based on WAM Leaders share price of \$1.39 on 11 March 2024 and the number of WAM Leaders shares estimated to be issued based on the Indicative Exchange Ratio of 0.7609 WAM Leaders shares per QVE share assuming all QVE shareholders participate in the Scrip Consideration.

### QVE contact details and advisors

QVE is being advised by Monash Advisory, EY, and Hazelbrook Legal. For further information, please contact:

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This announcement has been authorised by the boards of WAM Leaders Limited and QV Equities Limited.

### About QV Equities Limited

QV Equities (QVE) is a listed investment company, established in August 2014. It seeks to provide investors with a consistent and sustainable income stream while also aiming for capital growth over time. QVE invests in companies listed on the Australian Stock Exchange (ASX), outside the S&P/ASX 20 Index. For more information visit [www.qvequities.com](http://www.qvequities.com).

## About WAM Leaders

WAM Leaders Limited is a listed investment company (LIC) managed by Wilson Asset Management. Listed in May 2016, WAM Leaders provides investors with exposure to an active investment process focused on identifying large-cap companies with compelling fundamentals, a robust macroeconomic thematic and a catalyst.

All major platforms provide access to WAM Leaders, including Asgard eWRAP Investment, BT Panorama, BT Wrap, Colonial First State FirstWrap, Hub24, IOOF Pursuit Select Investment Service, Macquarie Investment Manager / Consolidator, MLC Wrap IDPS and SMS, Netwealth Wrap and North Investment.

Listed  
May 2016



WAM Leaders receives coverage from the following independent investment research providers:



## About Wilson Asset Management

Wilson Asset Management has a track record of making a difference for shareholders and the community for 25 years and is the investment manager for eight LICs – WAM Capital (ASX: WAM), WAM Leaders (ASX: WLE), WAM Global (ASX: WGB), WAM Microcap (ASX: WMI), WAM Alternative Assets (ASX: WMA), WAM Strategic Value (ASX: WAR), WAM Research (ASX: WAX) and WAM Active (ASX: WAA) – and the Wilson Asset Management Leaders Fund. Wilson Asset Management invests over \$5 billion on behalf of more than 130,000 retail investors.

Wilson Asset Management created and is the lead supporter of the first LICs to deliver both investment and social returns: Future Generation Australia (ASX: FGX) and Future Generation Global (ASX: FGG). Wilson Asset Management advocates and acts for retail investors, is a member of the global philanthropic Pledge 1% movement, is a significant funder of many Australian charities and provides all team members with \$10,000 each year to donate to charities of their choice. All philanthropic investments are made by the Investment Manager.



**\$5 billion**  
in funds under management

**>200 Years**  
combined investment experience

**+25 Years**  
making a difference for shareholders

**10**  
investment products

For more information visit [www.wilsonassetmanagement.com.au](http://www.wilsonassetmanagement.com.au) or contact:

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# Scheme Implementation Agreement

## **BETWEEN**

WAM Leaders Limited (ACN 611 053 751)  
**(WAM Leaders)**

## **AND**

QV Equities Limited  
(ACN 169 154 858) **(QV Equities)**

## **MILLS OAKLEY**

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## Details

**Date** **12 March 2024**

**Parties** **WAM Leaders and QV Equities**

<b>WAM Leaders</b>	Name	WAM Leaders Limited
	ACN	611 053 751
	Address	Level 26, Governor Phillip Tower, 1 Farrer Place, Sydney NSW 2000
	Email	jesse@wilsonassetmanagement.com.au
	Attention	Jesse Hamilton

<b>QV Equities</b>	Name	QV Equities Limited
	ACN	169 154 858
	Address	Level 24, 25 Bligh Street, Sydney NSW 2000
	Email	lucy.adamson@hazelbrooklegal.com; hugh.griffin@hazelbrooklegal.com
	Attention	The directors

**Governing law** New South Wales, Australia

**Recitals**

- A. WAM Leaders and QV Equities have agreed to implement the Transaction.
- B. To implement the Transaction, QV Equities has agreed to propose the Scheme.
- C. WAM Leaders and QV Equities have agreed to implement the Scheme on the terms and conditions of this agreement.

## General Terms

### 1 Definitions and interpretation

#### 1.1 Definitions

Unless the contrary intention appears, these meanings apply:

**ASIC** means the Australian Securities & Investments Commission.

**ASIC Relief** has the meaning given by clause 2.3(a).

**Associate** has the meaning given in section 12 of the Corporations Act, as if section 12(1) of the Corporations Act referenced this agreement.

**ASX** means ASX Limited, or the market operated by it, as the context requires.

**ATO** means the Australian Taxation Office.

**Business Day** has the meaning given in the Listing Rules.

**Calculation Date** means:

- (a) 5:00pm (Sydney time) on the Effective Date; or
- (b) such other time and date as the parties agree in writing.

**Cash Consideration** means for each Scheme Share held by a Scheme Participant who makes an Election, the cash amount representing the value of QV Equities NTA per Scheme Share, discounted by 2.5%.

**Competing Transaction** means a proposal, transaction or arrangement (including a takeover bid, scheme of arrangement, capital reduction, sale of assets, sale or issue of securities, or joint venture) which, if completed, would mean a person (other than a member of the WAM Leaders Group) whether alone or together with its Associates would, directly or indirectly:

- (a) acquire an interest or Relevant Interest in or become the holder of 20% or more of the QV Equities Shares on issue (other than as custodian, nominee or bare trustee);
- (b) acquire control of QV Equities, within the meaning of section 50AA of the Corporations Act;
- (c) directly or indirectly acquire, obtain a right to acquire, or otherwise obtain an economic interest in all or a substantial part or a material part of the assets of or business conducted by QV Equities;
- (d) otherwise acquire or merge with QV Equities (including by a reverse takeover bid); or
- (e) cause the Transaction to be required to be abandoned or otherwise fail to proceed.

**Conditions Precedent** means the conditions precedent set out in clause 3.1.

**Confidentiality Agreement** means the non-disclosure deed dated 19 February 2024 between WAM Leaders and QV Equities.

**Confirmed** means the amounts agreed between the parties in writing and **Confirm** has a corresponding meaning.

**Controller** has the meaning given in the Corporations Act.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Corporations Regulations** means the *Corporations Regulations 2001* (Cth).

**Court** means the Federal Court of Australia, or any other court of competent jurisdiction under the Corporations Act agreed by the parties in writing.

**Data Room** means the on-line data room in relation to the Transaction contemplated by this agreement hosted on:

- (a) in respect of QV Equities, Datasite; and
- (b) in respect of WAM Leaders, SharePoint.

**Deed Poll** means a deed poll substantially in the form of Annexure C to this agreement.

**Details** means the section of this agreement headed "Details".

**Disclosed** means, in relation to a change, event, occurrence or matter, means disclosed by a party:

- (a) to the other party in writing in a manner reasonably likely to draw the importance of that change, event, occurrence or matter to the attention of a reasonably sophisticated person, reasonably experienced in a transaction of the nature contemplated by this agreement;
- (b) in the QV Equities Disclosure Material or WAM Leaders Disclosure Material; or
- (c) in any announcement made by that party on ASX in the three years prior to the date of this agreement.

**D&O Run-Off Insurance** has the meaning given in clause 7.4(b).

**Effective** when used in relation to the Scheme, means the coming into effect, under section 411(10) of the Corporations Act, of the order of the Court made under section 411(4)(b) in relation to the Scheme.

**Effective Date** means the date on which the Scheme becomes Effective.

**Election** means an election by a QV Equities Shareholder to receive Cash Consideration that has been made in accordance with clause 5.1 of the Scheme.

**Election Date** means 5:00pm on the date of the Scheme Meeting or such other date as the parties agree in writing.

**Election Form** means a form issued by QV Equities for the purposes of a Scheme Participant making an Election.

**Encumbrance** means any security for the payment of money or performance of obligations, including a mortgage, charge, lien, pledge, trust, power or title retention or flawed deposit arrangement and any "security interest" as defined in sections 12(1) or 12(2) of the PPSA or any agreement to create any of them or allow them to exist.

**End Date** means 16 September 2024 or such other date agreed by WAM Leaders and QV Equities in writing.

**Excluded Shareholder** means WAM Leaders and includes any custodian of WAM Leaders to the extent it is acting in that capacity.

**Exclusivity Period** means the period from and including the date of this agreement to the earlier of:

- (a) the termination of this agreement in accordance with its terms;

- (b) the Implementation Date; and
- (c) the End Date.

**Explanatory Statement** means the statement under section 412 of the Corporations Act which has been, or will be, registered by ASIC in relation to the Scheme, and forms part of the Scheme Booklet.

**First Court Date** means the first day on which an application made to the Court, in accordance with clause 5.2(h), for orders under section 411(1) of the Corporations Act convening the Scheme Meeting, is heard.

**Further Dividend** has the meaning given in clause 4.10.

**GST** has the meaning given in the GST Act.

**GST Act** means the *A New Tax System (Goods and Services Tax) Act 1999* (Cth).

**Implementation Date** means the:

- (a) 5<sup>th</sup> Business Day following the Record Date; or
- (b) 2<sup>nd</sup> Business Day after the WAM Leaders NTA and QV Equities NTA have both been Confirmed,

whichever date occurs last, or such other date as the parties agree in writing or as may be required by ASX.

**Incoming Officers** means at least two directors and the company secretary nominated by WAM Leaders no later than five Business Days before the Implementation Date.

**Independent Board Committee** means the sub-committee of the QV Equities Board which has been established to consider the non-binding proposal received from WAM Leaders in December 2023.

**Independent Expert** means the independent expert appointed by QV Equities under clause 5.2(b).

**Independent Expert's Report** means the report from the Independent Expert for inclusion in the Scheme Booklet, including any update or supplementary report, stating whether, in the Independent Expert's opinion, the Scheme is in the best interests of QV Equities Shareholders.

**Ineligible Overseas Shareholder** means any person who:

- (a) holds QV Equities Shares and to whom WAM Leaders would be prohibited from issuing Scrip Consideration pursuant to any act, rule or regulation of Australia which prohibits WAM Leaders from issuing Scrip Consideration to foreign persons;
- (b) holds QV Equities Shares and does not have a registered address in Australia, or such other jurisdiction where QV Equities and WAM Leaders may determine it would be lawful and practicable for that registered shareholder to receive an offer under or to participate in the Scheme and receive Scrip Consideration in compliance with applicable laws; or
- (c) is acting on behalf of or for the account of a person who holds QV Equities Shares beneficially and resides in a jurisdiction outside of Australia, except, with the consent of QV Equities and WAM Leaders, such a beneficial shareholder residing in another jurisdiction where QV Equities and WAM Leaders may determine it would be lawful and practicable for that beneficial holder to receive

an offer under or to participate in the Scheme and receive Scrip Consideration in compliance with applicable laws.

A person is **Insolvent** if:

- (a) it is (or states that it is) an insolvent under administration or insolvent (each as defined in the Corporations Act); or
- (b) it is in liquidation, in provisional liquidation, under administration or wound up or has had a Controller appointed to any part of its property; or
- (c) it is subject to any arrangement, assignment, moratorium or composition, protected from creditors under any statute or dissolved (in each case, other than to carry out a reconstruction or amalgamation while solvent on terms approved by the other parties to this agreement); or
- (d) an application or order has been made (and in the case of an application, it is not stayed, withdrawn or dismissed within 14 days), resolution passed, proposal put forward, or any other action taken, in each case in connection with that person, which is preparatory to or could result in any of the things described in paragraphs (a), (b) or (c); or
- (e) it is taken (under section 459F(1) of the Corporations Act) to have failed to comply with a statutory demand; or
- (f) it is the subject of an event described in section 459C(2)(b) or section 585 of the Corporations Act (or it makes a statement from which another party to this agreement reasonably deduces it is so subject); or
- (g) it is otherwise unable to pay its debts when they fall due; or
- (h) something having a substantially similar effect to (a) to (g) happens in connection with that person under the law of any jurisdiction.

**Listing Rules** means the listing rules of ASX and any other applicable rules of ASX modified to the extent of any express written waiver by ASX.

**Losses** means all claims, demands, damages, losses, costs, expenses and liabilities, excluding any:

- (a) indirect loss or damage;
- (b) indirect loss of profit;
- (c) loss of expected savings;
- (d) opportunity costs;
- (e) indirect loss of business (including loss or reduction of goodwill);
- (f) damage to reputation;
- (g) loss or corruption of data; and
- (h) diminution in credit rating,

in each case, regardless of whether any or all of the claim, demand, damages, loss, cost, expense and/or liability arises in contract, tort (including negligence), under any statute or otherwise under or in relation to or arising out of this agreement.

**Management Agreement** means the investment management agreement between QV Equities and the Manager dated 23 June 2014.

**Manager** means Investors Mutual Limited (ACN 078 030 752).

**Material Contract** means any contract or commitment by QV Equities involving an amount of not less than \$250,000 or which is for a period of more than 60 days.

**New WAM Leaders Shares** means the WAM Leaders Shares to be issued to Scheme Participants as Scrip Consideration.

**NTA** means the net tangible asset backing of QV Equities or WAM Leaders (as the context requires) per QV Equities Share or WAM Leaders Share (as the case may be) before current and deferred tax balances calculated in accordance with the Corporations Act, Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations. For the avoidance of doubt, the NTA will be calculated on the basis of the last sale price quoted by Refinitiv in respect of the equity and option components of the relevant party's underlying portfolio positions on the Calculation Date.

**Outgoing Officers** means all directors on the QV Equities Board and all QV Equities company secretaries, other than any Incoming Officers.

**PPSA** means the *Personal Property Securities Act 2009* (Cth).

**Proposal** has the meaning given by clause 2.3(a).

**Public Announcement** has the meaning given by clause 12.1.

**QV Equities Board** means the board of directors of QV Equities.

**QV Equities Constitution** means the constitution of QV Equities.

**QV Equities Directors** means the directors of QV Equities.

**QV Equities Disclosure Material** means the written information disclosed by or on behalf of QV Equities to WAM Leaders or any of its Representatives:

- (i) in the Data Room; and or
- (j) via email,

as at 5:00pm on 11 March 2024, the index of which is to be initialled by the parties (or their respective lawyers) for the purpose of identification before execution of this agreement.

**QV Equities Indemnified Parties** means:

- (a) QV Equities and its Representatives; and
- (b) the Manager and its Representatives.

**QV Equities Information** means all information contained in the Scheme Booklet other than the WAM Leaders Information and the Independent Expert's Report.

**QV Equities March 2024 Dividend** has the meaning given in clause 4.9(a)(i).

**QV Equities Material Adverse Change** means a Specified Event which has, has had, or is reasonably likely to have, either individually or when aggregated with any other Specified Events:

- (a) a material adverse effect on the business, assets, liabilities, financial condition or results of operation of QV Equities; or
- (b) an effect that will prevent, materially delay, or materially impair QV Equities' ability to consummate the Transaction,

excluding alone or in combination those Specified Events:



- (c) required by this agreement, the Transaction or transactions contemplated by them;
- (d) involving any change in the market price or trading volume of shares after the date of this agreement;
- (e) which took place with the prior written consent of WAM Leaders;
- (f) relating to the global economy or securities market in general; or
- (g) which took place as a result of anything done or omitted to be done by WAM Leaders or the WAM Leaders Manager.

**QV Equities NTA** means the NTA of QV Equities on the Calculation Date, as calculated and Confirmed in accordance with clauses 5.2(q) and 5.3(m) and, if applicable, 5.4. For the avoidance of doubt, the QV Equities Transaction Costs are considered a liability of QV Equities in calculating the QV Equities NTA.

**QV Equities Prescribed Occurrence** means, except to the extent contemplated by this agreement or the Scheme, any of the following events:

- (a) **(conversion)** QV Equities converting QV Equities Shares into a larger or smaller number of shares;
- (b) **(reduction of share capital)** QV Equities resolving to reduce its capital in any way or resolving to reclassify, combine, split or redeem or repurchase directly or indirectly any of its securities;
- (c) **(buy-back)** QV Equities:
  - (i) entering into a buy-back agreement; or
  - (ii) resolving to approve the terms of a buy-back agreement under the Corporations Act;
- (d) **(distribution)** QV Equities, directly or indirectly, making or declaring, or announcing an intention to make or declare, any distribution (whether by way of dividend, capital reduction or otherwise and whether in cash or in specie) other than the QV Equities March 2024 Dividend and the Further Dividend;
- (e) **(issuing or granting shares or options)** QV Equities:
  - (i) issuing shares;
  - (ii) granting an option over its shares; or
  - (iii) agreeing to make such an issue or grant such an option;
- (f) **(securities or other instruments)** QV Equities issuing or agreeing to issue securities or other instruments convertible into shares or debt securities;
- (g) **(constitution)** QV Equities adopting a new constitution or modifying or repealing its constitution or a provision of it;
- (h) **(disposals)** QV Equities disposing, or agreeing to dispose of the whole or a substantial part of its business or property;
- (i) **(acquisitions, disposals or tenders)** QV Equities:
  - (i) acquiring or disposing of;
  - (ii) agreeing to acquire or dispose of; or
  - (iii) offering, proposing, announcing a bid or tenders for,

- any business, assets, entity or undertaking the value of which exceeds \$250,000 other than in the usual and ordinary course of trading or as otherwise permitted under the Management Agreement;
- (j) **(Encumbrances)** QV Equities creating, or agreeing to create, any Encumbrance over or declaring itself the trustee of the whole or a substantial part of its business or property;
  - (k) **(director arrangements)** QV Equities:
    - (i) increasing the remuneration of, or otherwise varying the arrangements with, any of its directors;
    - (ii) accelerating the rights of any of its directors to compensation or benefits of any kind (including under any QV Equities executive or employee share plans); or
    - (iii) paying any of its directors a termination or retention payment (otherwise than in accordance with an existing contract in place at the date of this agreement);
  - (l) **(commitments and settlements)** QV Equities:
    - (i) entering into any contract or commitment involving revenue or expenditure of more than \$250,000 over the term of the contract or commitment;
    - (ii) (without limiting the above) entering into any contract or commitment relating to the same matter or project involving revenue or expenditure which exceeds \$250,000 in aggregate over the term of the contracts or commitments;
    - (iii) terminating or amending in a material manner any contract material to the conduct of QV Equities' business or which involves revenue or expenditure of more than \$250,000 over the term of the contract;
    - (iv) waiving any material third party default; or
    - (v) accepting as a settlement or compromise of a material matter (relating to an amount in excess of \$250,000) less than the full compensation due to QV Equities or a Subsidiary of QV Equities;
  - (m) **(Insolvency)** QV Equities or any of its Related Bodies Corporate becomes Insolvent; or
  - (n) **(authorise)** QV Equities authorises or agrees to do, or makes any representation or warranty regarding doing, authorising or agreeing to do, any of the matters in items (a) to (m),
- provided that a QV Equities Prescribed Occurrence listed in items (a) to (n) will not occur:
- (o) in relation to any matter contemplated, permitted or required to be done by QV Equities pursuant to this agreement or the Transaction;
  - (p) in relation to any matter contemplated, permitted or required to be done under the Management Agreement;
  - (q) where the event was Disclosed to WAM Leaders;
  - (r) where WAM Leaders approved the proposed event in writing; or

- (s) if it is within the actual knowledge of WAM Leaders as at the date of this agreement.

**QV Equities Representations and Warranties** means the representations and warranties of QV Equities set out in clauses 9.1 and 10.1.

**QV Equities Share** means a fully paid ordinary share in the capital of QV Equities.

**QV Equities Shareholder** means each person registered in the Share Register as a holder of QV Equities Shares.

**QV Equities Transaction Costs** means, unless otherwise agreed in this agreement, all of QV Equities' costs associated with implementing the Transaction (including registry, court and other filing fees, fees for QV Equities' financial, taxation, legal and other professional advisers, counsel fees, fees of the Independent Expert, costs associated with the D&O Run-Off Insurance, accrued management and performance fees as at the Calculation Date and any other contractual liabilities (such as Management Agreement termination costs), including GST paid on such costs (to the extent not reduced by an input tax credit)) that have been incurred but remain unpaid as at the Calculation Date. In calculating the QV Equities NTA, QV Equities will also include a deduction of \$550,000 including GST from the QV Equities Transaction Costs.

**Record Date** means 5.00pm on the 2<sup>nd</sup> Business Day following the Effective Date or such other time and date as the parties agree in writing or as may be required by ASX.

**Registry** means Link Market Services Limited (ACN 083 214 537) or such other person that provides share registry services to QV Equities from time to time.

**Regulator's Draft** means the draft of the Scheme Booklet provided to ASIC for approval under section 411(2) of the Corporations Act.

**Regulatory Authority** includes:

- (a) ASX, ASIC and the Takeovers Panel;
- (b) a government or governmental, semi-governmental or judicial entity or authority, including the ATO;
- (c) a minister, department, office, commission, delegate, instrumentality, agency, board, authority or organisation of any government; and
- (d) any regulatory organisation established under statute.

**Related Body Corporate** has the meaning given in the Corporations Act.

**Relevant Interest** has the meaning given in sections 608 and 609 of the Corporations Act.

**Representative** means, in relation to a party:

- (a) a Related Body Corporate;
- (b) a director, officer or employee of the party or any of the party's Related Bodies Corporate; or
- (c) an adviser to the party or any of the party's Related Bodies Corporate, where an "adviser" means, in relation to an entity, a financier, financial adviser, corporate adviser, legal adviser, or technical or other expert adviser or consultant who provides advisory services in a professional capacity and who has been engaged by that entity.

**Scheme** means the scheme of arrangement under part 5.1 of the Corporations Act under which all Scheme Shares held by the Scheme Participants will be transferred to WAM Leaders substantially in the form of Annexure B together with any amendment or modification made under section 411(6) of the Corporations Act and agreed to in writing by QV Equities and WAM Leaders.

**Scheme Booklet** means the information booklet to be approved by the Court and despatched to QV Equities Shareholders which includes the Scheme, Explanatory Statement, Deed Poll, Independent Expert's Report, notice of the Scheme Meeting and proxy form.

**Scheme Consideration** means, depending on the Scheme Participant's Election, the consideration to be provided to each Scheme Participant for the transfer to WAM Leaders of each Scheme Share, being:

- (a) Cash Consideration;
- (b) Scrip Consideration; or
- (c) a combination of Cash Consideration and Scrip Consideration.

**Scheme Meeting** means the meeting to be convened by the Court at which QV Equities Shareholders will vote on the Scheme.

**Scheme Participant** means each person who is an QV Equities Shareholder at the Record Date other than Excluded Shareholders.

**Scheme Share** means an QV Equities Share held by a Scheme Participant at the Record Date.

**Scrip Consideration** means for each Scheme Share, that number of New WAM Leaders Shares determined by dividing the QV Equities NTA by the WAM Leaders NTA, as set out in the Scheme.

**Second Court Date** means the first day on which the Court hears an application for an order to be made pursuant to section 411(4)(b) of the Corporations Act approving the Scheme or, if the application is adjourned or subject to appeal for any reason, means the day on which the adjourned application or appeal is heard.

**Share Register** means the register of holders of QV Equities Shares maintained by or on behalf of QV Equities.

**Specified Event** means an event, occurrence or matter that:

- (a) occurs after the date of this agreement;
- (b) occurs before the date of this agreement but is only announced or publicly disclosed after the date of this agreement; or
- (c) will or is likely to occur after the date of this agreement and which has not been publicly announced prior to the date of this agreement.

**Subsidiary** of an entity means another entity which:

- (a) is a subsidiary of the first entity within the meaning of the Corporations Act; and
- (b) is part of a consolidated entity constituted by the first entity and the entities it is required to include in the consolidated financial statements it prepares, or would be if the first entity was required to prepare consolidated financial statements.

A trust may be a subsidiary (and an entity may be a subsidiary of a trust) if it would have been a subsidiary under this definition if that trust were a body corporate. For these purposes, a unit or other beneficial interest in a trust is to be regarded as a share.

**Superior Proposal** means a bona fide Competing Transaction which the QV Equities Directors, acting in good faith, and after taking written advice from their legal and financial advisers (as contemplated under clause 9.5), determine:

- (a) is reasonably capable of being completed, taking into account all aspects of the Competing Transaction and the person making it, within a reasonable timeframe and substantially in accordance with its terms; and
- (b) would, if so completed, result in a more favourable outcome for QV Equities Shareholders as a whole than would result from implementation of the Transaction, taking into account all the terms and conditions of the Competing Transaction.

**Takeovers Panel** means the panel established under section 171 of the *Australian Securities and Investments Commission Act 1989* (Cth) and continued in existence by section 261 of the *Australian Securities and Investments Commission Act 2001* (Cth).

**Tax Act** means the *Income Tax Assessment Act 1936* (Cth) or the *Income Tax Assessment Act 1997* (Cth), or both, as the context requires.

**Taxes** means taxes, levies, imposts, charges and duties (including stamp and transaction duties) paid, payable or assessed as being payable by any authority together with any fines, penalties and interest in connection with them.

**Timetable** means the indicative timetable for the Transaction set out in Schedule 1 subject to any amendments required by ASX or agreed by the parties in writing.

**Transaction** means the acquisition of QV Equities by WAM Leaders through implementation of the Scheme, in accordance with this agreement or as otherwise agreed between the parties in writing.

**Transaction Costs** means all costs associated with the Transaction and its implementation incurred by either party, including advisers expenses, legal expenses, counsel fees, fees of the Independent Expert and all other related costs incurred by a party, acting reasonably, arising from and in connection with the implementation of the Scheme.

**WAM Leaders Counterproposal** has the meaning given in clause 9.9(a).

**WAM Leaders Disclosure Material** means the written information disclosed by or on behalf of WAM Leaders to QV Equities or any of its Representatives in the Data Room as at 5.00pm on 11 March 2024, the index of which is to be initialled by the parties (or their respective lawyers) for the purpose of identification before execution of this agreement.

**WAM Leaders Group** means:

- (a) WAM Leaders and its Related Bodies Corporate; and
- (b) WAM Leaders Manager, its Related Bodies Corporate and each entity managed by any one of them.

**WAM Leaders Indemnified Parties** means:

- (a) WAM Leaders and its Representatives; and
- (b) the WAM Leaders Manager and its Representatives.

**WAM Leaders Information** means the information regarding WAM Leaders provided by or on behalf of WAM Leaders to QV Equities for inclusion in the Scheme Booklet, being information regarding WAM Leaders required to be included in the Scheme Booklet under the Corporations Act, Corporations Regulations, ASIC Regulatory Guide 60, Takeovers Panel policy and guidance notes, and the Listing Rules. WAM Leaders Information does not include information about QV Equities, except to the extent it relates to any statement of intention relating to QV Equities following the Effective Date.

**WAM Leaders Manager** means MAM Pty Limited (ACN 100 276 542).

**WAM Leaders Material Adverse Change** means a Specified Event which has, has had, or is reasonably likely to have, either individually or when aggregated with any other Specified Events:

- (a) a material adverse effect on the business, assets, liabilities, financial condition or results of operation of WAM Leaders; or
- (b) an effect that will prevent, materially delay or materially impair WAM Leaders' ability to consummate the Transaction,

excluding alone or in combination those Specified Events:

- (c) required by this agreement, the Transaction or transactions contemplated by them;
- (d) involving any change in the market price or trading volume of shares after the date of this agreement;
- (e) which took place with the prior written consent of QV Equities;
- (f) relating to the global economy or securities market in general; or
- (g) which took place as a result of anything done or omitted to be done by QV Equities or the Manager.

**WAM Leaders May 2024 Dividend** has the meaning given in clause 4.8(a)(i).

**WAM Leaders NTA** means the NTA of WAM Leaders as at the Calculation Date, calculated and Confirmed in accordance with clauses 5.3(l), 5.2(r), and, where applicable, 5.4. For the avoidance of doubt, the WAM Leaders Transaction Costs are considered a liability of WAM Leaders in calculating the WAM Leaders NTA.

**WAM Leaders Permitted Dividend** has the meaning given in clause 4.8(b).

**WAM Leaders Prescribed Occurrence** means, except to the extent contemplated by this agreement or the Scheme, any of the following events:

- (a) **(conversion)** WAM Leaders converting WAM Leaders Shares into a larger or smaller number of shares;
- (b) **(reduction of share capital)** WAM Leaders resolving to reduce its capital in any way or resolving to reclassify, combine, split or redeem or repurchase directly or indirectly any of its securities;
- (c) **(buy-back)** WAM Leaders:
  - (i) entering into a buy-back agreement; or
  - (ii) resolving to approve the terms of a buy-back agreement under the Corporations Act;



- (d) **(distribution)** WAM Leaders, directly or indirectly, making or declaring, or announcing an intention to make or declare, any distribution (whether by way of dividend, capital reduction or otherwise and whether in cash or in specie) other than the WAM Leaders May 2024 Dividend and the WAM Leaders Permitted Dividend;
- (e) **(issuing or granting shares or options)** WAM Leaders:
- (i) issuing shares;
  - (ii) granting an option over its shares; or
  - (iii) agreeing to make such an issue or grant such an option;
- (f) **(securities or other instruments)** WAM Leaders issuing or agreeing to issue securities or other instruments convertible into shares or debt securities;
- (g) **(constitution)** WAM Leaders adopting a new constitution or modifying or repealing its constitution or a provision of it;
- (h) **(disposals)** WAM Leaders disposing, or agreeing to dispose of the whole or a substantial part of its business or property;
- (i) **(acquisitions, disposals or tenders)** WAM Leaders:
- (i) acquiring or disposing of;
  - (ii) agreeing to acquire or dispose of; or
  - (iii) offering, proposing, announcing a bid or tenders for, any business, assets, entity or undertaking the value of which exceeds \$250,000 other than in the usual and ordinary course of trading under the investment management agreement with the WAM Leaders Manager dated 4 April 2016;
- (j) **(Encumbrances)** WAM Leaders creating, or agreeing to create, any Encumbrance over or declaring itself the trustee of the whole or a substantial part of its business or property;
- (k) **(director arrangements)** WAM Leaders:
- (i) increasing the remuneration of, or otherwise varying the arrangements with, any of its directors;
  - (ii) accelerating the rights of any of its directors to compensation or benefits of any kind (including under any WAM Leaders executive or employee share plans); or
  - (iii) paying any of its directors a termination or retention payment (otherwise than in accordance with an existing contract in place at the date of this agreement);
- (l) **(commitments and settlements)** WAM Leaders:
- (i) entering into any contract or commitment involving revenue or expenditure of more than \$250,000 over the term of the contract or commitment;
  - (ii) (without limiting the above) entering into any contract or commitment relating to the same matter or project involving revenue or expenditure which exceeds \$250,000 in aggregate over the term of the contracts or commitments;



- (iii) terminating or amending in a material manner any contract material to the conduct of WAM Leaders' business or which involves revenue or expenditure of more than \$250,000 over the term of the contract;
- (iv) waiving any material third party default; or
- (v) accepting as a settlement or compromise of a material matter (relating to an amount in excess of \$250,000) less than the full compensation due to WAM Leaders or a Subsidiary of WAM Leaders;
- (m) **(Insolvency)** WAM Leaders or any of its Related Bodies Corporate becomes Insolvent; or
- (n) **(authorise)** WAM Leaders authorises or agrees to do, or makes any representation or warranty regarding doing, authorising or agreeing to do, any of the matters in items (a) to (m),

provided that a WAM Leaders Prescribed Occurrence listed in items (a) to (n) will not occur:

- (o) in relation to any matter contemplated, permitted or required to be done by WAM Leaders pursuant to the agreement or the Scheme;
- (p) in relation to any matter contemplated, permitted or required to be done under the investment management agreement with the WAM Leaders Manager dated 4 April 2016;
- (q) where the event was Disclosed to QV Equities; or
- (r) where QV Equities approved the proposed event in writing.

**WAM Leaders Representations and Warranties** means WAM Leaders' representations and warranties set out in clause 10.5.

**WAM Leaders Share** means a fully paid ordinary share in the capital of WAM Leaders.

**WAM Leaders Transaction Costs** means, unless otherwise agreed pursuant to this agreement, all of WAM Leaders' costs associated with implementing the Transaction (including registry, court and other filing fees, fees for WAM Leaders' financial, taxation, legal and other professional advisers, counsel fees, accrued management and performance fees as at the Calculation Date and any other contractual liabilities, including GST paid on such costs to the extent not reduced by an input tax credit) that have been incurred but remain unpaid as at the Calculation Date.

## 1.2 General interpretation

Unless the contrary intention appears, in this agreement:

- (a) the singular includes the plural and vice versa;
- (b) a reference to a document includes any agreement or other legally enforceable arrangement created by it (whether the document is in the form of an agreement, deed or otherwise);
- (c) a reference to a document also includes any variation, replacement or novation of it;
- (d) a reference to a party, clause, annexure or schedule is a reference to a party to, clause in or annexure or schedule to this agreement;

- (e) headings (including those in brackets at the beginning of paragraphs) and labels used for defined terms are for convenience only and do not affect the interpretation of this agreement;
- (f) the meaning of general words is not limited by specific examples introduced by “including”, “for example”, “such as” or similar expressions;
- (g) a reference to “person” includes an individual, a body corporate, a partnership, a joint venture, an unincorporated association and an authority or any other entity or organisation;
- (h) a reference to a particular person includes the person’s executors, administrators, successors, substitutes (including persons taking by novation) and assigns;
- (i) a reference to a time of day is a reference to Sydney time;
- (j) if an act under this agreement to be done by a party on or by a given day is done after 5.00pm on that day, it is taken to be done on the next day;
- (k) if a day on which a party must do something under this agreement is not a Business Day, the party must do it on the next Business Day;
- (l) if a period of time dates from a given day or the day of an act or event, it is to be calculated exclusive of that day;
- (m) a reference to dollars, \$ or A\$ is a reference to the currency of Australia;
- (n) a reference to “law” includes common law, principles of equity and legislation (including regulations);
- (o) a reference to any legislation includes regulations under it and any consolidations, amendments, re-enactments or replacements of any of them;
- (p) a reference to “regulations” includes instruments of a legislative character under legislation (such as regulations, rules, by-laws, ordinances and proclamations);
- (q) a reference to a group of persons is a reference to any two or more of them jointly and to each of them individually; and
- (r) a reference to any thing (including an amount) is a reference to the whole and each part of it.

## **2 Agreement to propose and implement Scheme**

### **2.1 QV Equities to propose Scheme**

QV Equities agrees to propose the Scheme on and subject to the terms and conditions of this agreement.

### **2.2 Agreement to implement Scheme**

The parties agree to implement the Scheme on the terms and conditions of this agreement.

### **2.3 Takeover bid**

- (a) On 31 January 2024 WAM Leaders announced its intention to make an off market takeover bid under Part 6.5 of Chapter 6 of the Corporations Act for all QV Equities Shares (**Proposal**). Following the Proposal, the parties entered into discussions regarding giving effect to the Scheme. The parties acknowledge that

in order to proceed with the Scheme, WAM Leaders is also applying to ASIC for relief from the operation of section 631(1) of the Corporations Act in relation to the Proposal (**ASIC Relief**), and the parties will take all reasonable steps required to obtain that relief, including responding to requests for information at the earliest practicable time.

- (b) For the avoidance of doubt, the ASIC Relief is not a regulatory approval for the purposes of clause 3.1(a).

### 3 Conditions Precedent

#### 3.1 Conditions Precedent to the Scheme

Subject to this clause 3, the Scheme will not become Effective, and the obligations of WAM Leaders under clause 4.2 are not binding, until each of the following Conditions Precedent are satisfied or waived to the extent and in the manner set out in this clause.

Conditions Precedent		Party entitled to benefit	Party responsible
(a)	<b>(Regulatory approvals)</b> before 8.00am on the Second Court Date, ASIC and ASX issue or provide any consents or approvals, or have done any other acts, which are reasonably necessary or desirable to implement the Transaction, and those consents, approvals or other acts have not been withdrawn or revoked at that time.	Both	Both
(b)	<b>(Shareholder approval)</b> QV Equities Shareholders approve the Scheme by the requisite majorities in accordance with the Corporations Act.	Cannot be waived	QV Equities
(c)	<b>(Court approval)</b> the Court approves the Scheme in accordance with section 411(4)(b) of the Corporations Act	Cannot be waived	QV Equities
(d)	<b>(Regulatory intervention)</b> no Court or Regulatory Authority has issued or taken steps to issue an order, temporary restraining order, preliminary or permanent injunction, decree or ruling or taken any action enjoining, restraining or otherwise imposing a legal restraint or prohibition preventing the Scheme and no such order, decree, ruling, other action or refusal is in effect as at 8.00am on the Second Court Date.	Both	Both

Conditions Precedent		Party entitled to benefit	Party responsible
(e)	<b>(No QV Equities Prescribed Occurrence)</b> no QV Equities Prescribed Occurrence occurs between the date of this agreement and 8.00am on the Second Court Date.	WAM Leaders	QV Equities
(f)	<b>(No WAM Leaders Prescribed Occurrence)</b> no WAM Leaders Prescribed Occurrence occurs between the date of this agreement and 8.00am on the Second Court Date.	QV Equities	WAM Leaders
(g)	<b>(No QV Equities Material Adverse Change)</b> no QV Equities Material Adverse Change occurs between the date of this agreement and 8:00am on the Second Court Date.	WAM Leaders	QV Equities
(h)	<b>(No WAM Leaders Material Adverse Change)</b> no WAM Leaders Material Adverse Change occurs between the date of this agreement and 8:00am on the Second Court Date.	QV Equities	WAM Leaders
(i)	<b>(New WAM Leaders Shares)</b> the New WAM Leaders Shares to be issued pursuant to the Scheme are approved for official quotation by ASX, subject to customary conditions by, and such approval has not been withdrawn, suspended or revoked before, 8.00am on the Second Court Date.	QV Equities	WAM Leaders
(j)	<b>(Management Agreement terminated)</b> QV Equities has given notice to the Manager to terminate the Management Agreement before 8.00am on the Second Court Date, with such notice specifying that termination of the Management Agreement is to be effective no later than the Implementation Date.	WAM Leaders	QV Equities
(k)	<b>(No breach of QV Equities Representations and Warranties)</b> each of the QV Equities Representations and Warranties is true and correct in all material respects	WAM Leaders	QV Equities

Conditions Precedent		Party entitled to benefit	Party responsible
	as at the time it is given under clause 9.1 or 10.1 (as applicable).		
(l)	<b>(No breach of WAM Leaders Representations and Warranties)</b> each of the WAM Leaders Representations and Warranties is true and correct in all material respects as at the time it is given under clause 10.5.	QV Equities	WAM Leaders
(m)	<b>(Independent Expert)</b> the Independent Expert issues the Independent Expert's Report which concludes that the Scheme is in the best interest of QV Equities Shareholders before the date on which the Scheme Booklet is lodged with ASIC and the Independent Expert does not change its opinion, withdraw or qualify its conclusion in any written update to its Independent Expert's Report or otherwise withdraw the report before 8:00am on the Second Court Date.	QV Equities	QV Equities

### 3.2 Reasonable endeavours

Each of QV Equities and WAM Leaders agree to use reasonable endeavours to procure that:

- (a) each of the Conditions Precedent for which it is a party responsible (as noted in clause 3.1):
  - (i) is satisfied as soon as practicable after the date of this agreement; and
  - (ii) continues to be satisfied at all times until the last time it is to be satisfied (as the case may require); and
- (b) there is no occurrence that would prevent the Condition Precedent for which it is a party responsible being satisfied.

### 3.3 Regulatory matters

Without limiting clause 3.2, for the purposes of the Condition Precedent in clause 3.1(a) each party:

- (a) **(applying for ASIC and ASX consents and approvals)** must promptly apply for all relevant ASIC and ASX consents and approvals, and provide each other with a copy of those applications (provided that any commercially sensitive information may be redacted from the copy provided);

- (b) **(ASIC and ASX consents and approvals process)** must take all steps it is responsible for to obtain ASIC or ASX consents and approvals process, including responding to requests for information at the earliest practicable time;
- (c) **(representation)** has the right to be represented and make submissions at any meeting with ASIC or ASX in relation to an ASX or ASIC consent or approval; and
- (d) **(consultation)** must consult with the other party in advance in relation to all communications (whether written or oral, and whether direct or via a Representative) with ASIC or ASX (as applicable) relating to any ASIC or ASX consents and approvals and:
  - (i) provide the other party with drafts of any material written communications to be sent to ASIC and ASX (as applicable) and make any amendments as the other party reasonably requires; and
  - (ii) provide copies of any material written communications sent to or received from ASIC or ASX (as applicable) to the other party promptly upon despatch or receipt (as the case may be),

in each case to the extent it is reasonable to do so.

For the avoidance of doubt, neither party is required to disclose commercially sensitive information in relation to the application for an ASIC or ASX consent or approval (as applicable) to the other party and the party applying for an ASIC or ASX consent or approval (as applicable) may withhold or redact information or documents from the other party if and to the extent that they are either confidential to a third party or commercially sensitive and confidential to the applicant.

### **3.4 Waiver of Conditions Precedent**

- (a) A Condition Precedent:
  - (i) may only be waived in writing by the party or parties entitled to the benefit of that Condition Precedent as noted in clause 3.1;
  - (ii) may only be waived in writing by both parties together where that Condition Precedent is expressed to apply for the benefit of both parties;
  - (iii) will be effective only to the extent specifically set out in that waiver; and
  - (iv) may only be waived before 8.00am on the date of the Second Court Date.
- (b) A party entitled to waive the breach or non-fulfilment of a Condition Precedent under this clause 3.4 may do so in its absolute discretion.
- (c) If either QV Equities or WAM Leaders waives the breach or non-fulfilment of a Condition Precedent in accordance with this clause 3.4, then:
  - (i) subject to clause 3.4(c)(ii), that waiver precludes that party from suing the other for any breach of this agreement arising as a result of the breach or non-fulfilment of that Condition Precedent or arising from the same event which gave rise to the breach or non-fulfilment of that Condition Precedent; but
  - (ii) if the waiver of the Condition Precedent is itself conditional and the other party:



- (A) accepts the condition, the terms of that condition apply notwithstanding any inconsistency with clause 3.4(c)(i); or
- (B) does not accept the condition, the Condition Precedent has not been waived.
- (d) A waiver of a breach or non-fulfilment in respect of a Condition Precedent does not constitute:
  - (i) a waiver of a breach or non-fulfilment of any other Condition Precedent arising from the same event; or
  - (ii) a waiver of a breach or non-fulfilment of that Condition Precedent resulting from any other event.

### **3.5 Notices in relation to Conditions Precedent**

Each party must:

- (a) **(notice of satisfaction)** promptly notify the other of satisfaction of a Condition Precedent and must keep the other informed of any material development of which it becomes aware that may lead to the breach or non-fulfilment of a Condition Precedent;
- (b) **(notice of failure)** immediately give written notice to the other of a breach or non-fulfilment of a Condition Precedent, or of any event which will prevent a Condition Precedent being satisfied; and
- (c) **(notice of waiver)** upon receipt of a notice given under clause 3.5(b), give written notice to the other party as soon as possible as to whether or not it waives the breach or non-fulfilment of any Condition Precedent resulting from the occurrence of that event, specifying the Condition Precedent in question.

### **3.6 Deferral of Second Court Date**

- (a) If a Condition Precedent (other than the Condition Precedent in clause 3.1(c)) is not satisfied by the time and date specified for that Condition Precedent (and has not been waived in accordance with this agreement), then unless there is no reasonable prospect that the Condition Precedent will be satisfied such that the Scheme may become Effective before the End Date, QV Equities must make an application to defer the Second Court Date until such time (being no later than the Business Day before the End Date) as reasonably required to enable the relevant Condition Precedent to be satisfied.
- (b) Each party agrees that where the Condition Precedent that has not been satisfied or waived is within that party's control, then that party:
  - (i) will provide all reasonable assistance to the other party in respect of the proposed application to defer the Second Court Date; and
  - (ii) will indemnify the other party in respect of all costs and expenses incurred by the other party associated with the application to defer the Second Court Date.
- (c) The Condition Precedent in clause 3.1(b) will not be prevented from being satisfied only because of a failure to obtain the majority required by section 411(4)(a)(ii)(A) of the Corporations Act.
- (d) If the majority required by section 411(4)(a)(ii)(A) is not obtained, then either party may by written notice to the other within three Business Days after the date



of the conclusion of the Scheme Meeting require the approval of the Court to be sought, pursuant to the Court's discretion in that section, provided the requesting party:

- (i) has in good faith, based on advice from senior counsel, formed the view that there are reasonable prospects of the Court exercising its discretion in that way; and
- (ii) if the requesting party is WAM Leaders, indemnifying QV Equities for all costs properly incurred by QV Equities associated with the Second Court Date and the seeking of such orders from the Court.

### **3.7 Consultation on failure of Condition Precedent**

If:

- (a) there is a breach or non-fulfilment of a Condition Precedent which is not waived in accordance with this agreement by the time or date specified in this agreement for the satisfaction of the Condition Precedent;
- (b) there is an act, failure to act or occurrence which will prevent a Condition Precedent being satisfied by the time or date specified in this agreement for the satisfaction of the Condition Precedent (and that Condition Precedent is not waived in accordance with this agreement); or
- (c) the Scheme has not become Effective by the End Date,

and the relevant occurrence or the failure of the Condition Precedent does not arise out of a breach of clause 3.2, then the parties must consult in good faith with a view to determine whether:

- (d) the Transaction may proceed by way of alternative means or methods and, if so, agree on the terms of such alternative means or methods;
- (e) to extend the relevant time for satisfaction of the Condition Precedent or to adjourn or change the date of an application to the Court another date agreed by the parties (being a date not later than five Business Days before the End Date); or
- (f) to extend the End Date.

### **3.8 Failure to agree**

- (a) If the parties are unable to reach agreement under clause 3.7 within five Business Days (or any shorter period ending at 5.00pm on the day before the Second Court Date):
  - (i) subject to clauses 3.8(a)(ii) and 3.8(b), either party may terminate this agreement (and that termination will be in accordance with clause 11.1(f)(i)); or
  - (ii) if the relevant Condition Precedent may be waived and exists for the benefit of one party only, that party only may waive that Condition Precedent or terminate this agreement (and that termination will be in accordance with clause 11.1(f)(ii)),

in each case before 8.00am on the Second Court Date.

- (b) A party will not be entitled to terminate this agreement under this clause if the relevant Condition Precedent has not been satisfied, or there is an occurrence

that will prevent the Condition Precedent being satisfied by the date specified in this agreement for its satisfaction, as a result of:

- (i) a breach of this agreement by that party; or
- (ii) a deliberate act or omission of that party or any of its Representatives.

## **4 Outline of Scheme**

### **4.1 Scheme**

- (a) QV Equities must propose a scheme of arrangement under which:
  - (i) all of the QV Equities Shares held by Scheme Participants at the Record Date will be transferred to WAM Leaders; and
  - (ii) subject to and in accordance with this agreement and the Scheme, each Scheme Participant will be entitled to receive the Scheme Consideration in respect of each Scheme Share held by that Scheme Participant.
- (b) WAM Leaders agrees to take all necessary steps to assist QV Equities to propose and implement the Scheme in accordance with Part 5.1 of the Corporations Act and subject to the terms of this document, and must do so substantially in accordance with the Timetable.

### **4.2 Scheme Consideration**

- (a) WAM Leaders, subject to clause 4.5(b) and the Scheme, covenants in favour of QV Equities (in its own right and on behalf of the Scheme Participants) that, in consideration of the transfer to WAM Leaders of each Scheme Share held by a Scheme Participant under the terms of the Scheme, on the Implementation Date, WAM Leaders will, subject to the terms of the Deed Poll and Scheme;
  - (i) issue the Scrip Consideration to each Scheme Participant who has not made an Election; and
  - (ii) pay the Cash Consideration to each Scheme Participant who has made an Election.
- (b) The Scheme Consideration will consist of the Scrip Consideration, unless a QV Equities Shareholder has made an Election. A QV Equities Shareholder may elect to receive all Cash Consideration, or part Cash Consideration and part Scrip Consideration.

### **4.3 Scheme Consideration election mechanism**

- (a) QV Equities must ensure that the Scheme Booklet sent to QV Equities Shareholders is accompanied by an Election Form under which each QV Equities Shareholder may elect to receive Cash Consideration in respect of their QV Equities Shares and sets out the election process, including that if no Election is made that the QV Equities Shareholder will be taken to have elected to receive the Scrip Consideration.
- (b) The Election Form must include the relevant matters set out in the Scheme and must otherwise be in a form agreed between the parties (acting reasonably) in writing.
- (c) QV Equities must procure that, to the extent practicable, QV Equities Shareholders who acquire QV Equities Shares after the date of despatch of the Scheme Booklet receive an Election Form upon request.

- (d) WAM Leaders must take all reasonably necessary steps to assist QV Equities to satisfy the requirements of this clause 4.3.

#### **4.4 Provision of updates**

In order to facilitate the provision of the Scheme Consideration, QV Equities must provide to WAM Leaders:

- (a) reasonable written updates of the Elections that have been received in the period up to the Election Date;
- (b) written details of the final Elections made by each Scheme Participant, within one Business Day after the Election Date; and
- (c) a complete copy of the Share Register as at the Record Date (which must include the name, registered address, and registered holding of each QV Equities Shareholder as at the Record Date), within two Business Days after the Record Date.

#### **4.5 Scrip Consideration**

- (a) Any fractional entitlement of a Scheme Participant to a part of a New WAM Leaders Share will be rounded up or down (as applicable) to the nearest whole number as follows:
  - (i) fractional entitlements of 0.5 (or greater) to a New WAM Leaders Share will be rounded up; and
  - (ii) fractional entitlements of less than 0.5 to a New WAM Leaders Share will be rounded down.
- (b) WAM Leaders will, unless satisfied that the laws of an Ineligible Overseas Shareholder's country of residence (as shown in the Share Register) permit the issue of New WAM Leaders Shares under the Scheme to that Ineligible Overseas Shareholder (either unconditionally or after compliance with conditions which WAM Leaders and QV Equities reasonably regard as acceptable and not unduly onerous and not unduly impracticable), issue the New WAM Leaders Shares to which an Ineligible Overseas Shareholder would otherwise become entitled to a nominee appointed by WAM Leaders, who will sell those New WAM Leaders Shares in accordance with the Scheme, so that each Ineligible Overseas Shareholder receives a prorate proportion of the proceeds of sale, after deducting any applicable brokerage, Taxes and charges.

#### **4.6 New WAM Leaders Shares to rank equally**

WAM Leaders covenants in favour of QV Equities (in its own right and on behalf of the Scheme Participants) that:

- (a) the New WAM Leaders Shares will rank equally in all respects with all existing WAM Leaders Shares from their date of issue;
- (b) it will do everything reasonably necessary to ensure that trading in the New WAM Leaders Shares commences by the first Business Day after the Implementation Date; and
- (c) on issue, each New WAM Leaders Share will be fully paid and free from any Encumbrance.

#### **4.7 No amendment to the Scheme without consent**

QV Equities must not consent to any modification of, or amendment to, or the making or imposition by the Court of any condition in respect of, the Scheme without the prior written consent of WAM Leaders (not to be unreasonably withheld or delayed).

#### **4.8 WAM Leaders dividends**

- (a) The parties acknowledge that:
- (i) WAM Leaders has declared a dividend due to be paid on 31 May 2024 (**WAM Leaders May 2024 Dividend**);
  - (ii) as the record date for the WAM Leaders May 2024 Dividend is before the Implementation Date, Scheme Participants are ineligible for the WAM Leaders May 2024 Dividend;
  - (iii) on 26 February 2024, WAM Leaders announced dividend guidance for its financial year ending 30 June 2024; and
  - (iv) Scheme Participants will be eligible for a WAM Leaders Permitted Dividend as well as any future dividends in relation to WAM Leaders Shares that are held on the relevant record date.
- (b) Subject to the requirements of this clause 4.8, WAM Leaders may (in its absolute discretion) determine to pay or declare and pay to its shareholders a dividend in the ordinary course in respect of the financial year ended 30 June 2024 (**WAM Leaders Permitted Dividend**), provided that:
- (i) the determination, declaration and payment of the WAM Leaders Permitted Dividend must comply with the Corporations Act; and
  - (ii) if Scheme Participants are ineligible for the WAM Leaders Permitted Dividend, as the record date for the WAM Leaders Permitted Dividend is before the Implementation Date, the WAM Leaders NTA must reflect the pro-forma impact of the WAM Leaders Permitted Dividend.
- (c) If WAM Leaders announces, determines to pay or declares and pays the WAM Leaders Permitted Dividend in accordance with clause 4.8(b), the WAM Leaders Permitted Dividend:
- (i) may be franked to the maximum extent possible; and
  - (ii) is to be paid from accumulated profits, retained earnings or distributable reserves (or a combination of all or some of them) of WAM Leaders existing immediately prior to the declaration of that dividend.
- (d) The provisions of this clause 4.8 do not prevent the determination to pay or declaration or payment of a dividend by WAM Leaders if this agreement is terminated.

#### **4.9 QV Equities dividends**

- (a) The parties acknowledge that:
- (i) QV Equities declares quarterly dividends in the usual and ordinary course of its business and will declare a dividend for the 2024 March quarter of up to 1.3 cents per QV Equities Share (**QV Equities March 2024 Dividend**) in the usual and ordinary course. Nothing in this clause 4.9(a)(i) obliges QV Equities to declare a dividend up to this amount and

the parties acknowledge and agree that the 1.3 cents per QV Equities Share is not an indicative figure in respect of the actual quantum of the QV Equities March 2024 Dividend, which could be a lower amount; and

- (ii) QV Equities Shareholders as at the record date for the QV Equities March 2024 Dividend will be eligible for QV Equities March 2024 Dividend.
- (b) The parties acknowledge the QV Equities March 2024 Dividend:
  - (i) may be franked and include all listed investment company capital gains to the maximum extent possible; and
  - (ii) is to be paid from accumulated profits, retained earnings or distributable reserves (or a combination of all or some of them) of QV Equities immediately prior to the declaration of that dividend.
- (c) The provisions of this clause 4.9 do not prevent the determination to pay, or declaration or payment of a dividend by QV Equities if this agreement is terminated.

#### **4.10 Further Dividends**

To the extent the End Date for the Scheme is extended and QV Equity Shareholders are not eligible for the WAM Leaders Permitted Dividend, the parties acknowledge they will discuss in good faith and determine, acting reasonably, whether QV Equities may issue an additional dividend of up to 1.3 cents per QV Equities Share in relation to the quarter ending 30 June 2024 (**Further Dividend**) which would have been issued by QV Equities in the usual and ordinary course of business.

## **5 Implementation**

### **5.1 General obligations**

QV Equities and WAM Leaders must each:

- (a) use all reasonable endeavours and commit necessary resources (including management and corporate relations resources and the resources of external advisers); and
  - (b) procure that its officers and advisers work in good faith and in a timely and co-operative fashion with the other party (including by attending meetings and by providing information),
- to
- (c) agree the Timetable as soon as practicable after the date of this agreement, with a view to implementing the Transaction expeditiously; and
  - (d) produce the Scheme Booklet and implement the Scheme as soon as reasonably practicable and in accordance with the Timetable.

### **5.2 QV Equities' obligations**

QV Equities must take all reasonable steps to implement the Scheme on a basis consistent with this agreement and as soon as reasonably practicable, and in particular must:

- (a) (**announce directors' recommendation**) following execution of this agreement, announce, in the form contained in Annexure A (on the basis of statements

made to QV Equities by the QV Equities Directors) that each QV Equities Director:

- (i) intends to recommend that the Scheme is in the best interests of QV Equities Shareholders and that QV Equities Shareholders vote in favour of the Scheme; and
- (ii) intends to vote, or cause to be voted, all QV Equities Shares in which he has a Relevant Interest (if any) in favour of the Scheme,

subject to:

- (iii) the Independent Expert concluding, and continuing to conclude, that the Scheme is in the best interests of the QV Equities Shareholders; and
- (iv) there being no Superior Proposal;

and for the avoidance of doubt, the QV Equities Directors' recommendation must not prefer or recommend any element of the Transaction over another.

(b) **(Independent Expert)** promptly:

- (i) appoint the Independent Expert and provide any assistance and information reasonably requested by the Independent Expert to enable the Independent Expert to prepare the Independent Expert's Report for the Scheme Booklet as soon as practicable (and any update to any such report);
- (ii) provide WAM Leaders with a copy of the final draft Independent Expert's Report (and any final subsequent update to any such report) as contemplated by clause 5.2(d)(i);

(c) **(preparation of Scheme Booklet)** subject to clause 5.2(d), as soon as practicable after the date of this agreement, prepare the Scheme Booklet:

- (i) in accordance with all applicable laws, including the Corporations Act, Corporations Regulations, ASIC Regulatory Guide 60, ASIC Regulatory Guide 110 and the Listing Rules;
- (ii) which includes a statement by the QV Equities Directors:
  - (A) unanimously recommending that QV Equities Shareholders vote in favour of the Scheme subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of the QV Equities Shareholders and there being no Superior Proposal; and
  - (B) that each QV Equities Director who holds QV Equities Shares intends to vote, or cause to be voted, all QV Equities Shares in which he has a Relevant Interest (if any) in favour of the Scheme subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of the relevant QV Equities Shareholders and there being no Superior Proposal;

(d) **(Scheme Booklet consultation with WAM Leaders)** consult with WAM Leaders as to the content and presentation of the Scheme Booklet, which includes:

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- (i) allowing WAM Leaders a reasonable opportunity to review and make comments on successive drafts of the Scheme Booklet including, for the avoidance of doubt, draft reports received from the Independent Expert (accepting that any review of the Independent Expert's Report is limited to review for factual accuracy of those parts that include information relating to WAM Leaders);
- (ii) taking any reasonable comments made by WAM Leaders into account in good faith when producing a revised draft of the Scheme Booklet;
- (iii) not finalising the Election Form without the prior written consent of WAM Leaders (acting reasonably and not to be unreasonably withheld or delayed);
- (iv) providing to WAM Leaders a revised draft of the Scheme Booklet within a reasonable time before the draft of the Scheme Booklet which is provided to ASIC for approval under section 411(2) of the Corporations Act is finalised; and
- (v) obtaining WAM Leaders' consent, which cannot be unreasonably withheld, to the inclusion of the WAM Leaders Information (including in respect of the form and context in which the WAM Leaders Information appears in the Scheme Booklet);
- (e) **(lodgement of Regulator's Draft)**
- (i) no later than 14 days before the First Court Date, provide the Regulator's Draft to ASIC for its review for the purposes of section 411(2) of the Corporations Act, and provide a copy of the Regulator's Draft to WAM Leaders immediately following; and
- (ii) keep WAM Leaders reasonably informed of any material issues raised by ASIC in relation to the Regulator's Draft and, where practical to do so, consult with WAM Leaders in good faith prior to taking any steps or actions to address those material issues (provided that, where those issues relate to WAM Leaders Information, QV Equities must not take any steps to address them without WAM Leaders' prior written consent, not to be unreasonably withheld);
- (f) **(section 411(17)(b) statement)** apply to ASIC for the production of a statement under section 411(17)(b) of the Corporations Act stating that ASIC has no objection to the Scheme;
- (g) **(Court document consultation with WAM Leaders)** consult with WAM Leaders as to the content of documents required for the purposes of the Court hearings held for the purposes of sections 411(1) and 411(4)(b) of the Corporations Act in relation to the Scheme (including originating processes, affidavits, submissions and draft minutes of Court orders), and consider in good faith any comments on, or suggested amendments to, those documents from WAM Leaders prior to filing those documents with the Court;
- (h) **(Court application)** apply to the Court for an order under section 411(1) of the Corporations Act directing QV Equities to convene the Scheme Meeting;
- (i) **(register Scheme Booklet)** if the Court directs QV Equities to convene the Scheme Meeting, request ASIC register the Explanatory Statement forming part



- of the Scheme Booklet in accordance with section 412(6) of the Corporations Act;
- (j) **(send Scheme Booklet)** send the Scheme Booklet to QV Equities Shareholders as soon as practicable after the Court orders QV Equities to convene the Scheme Meeting;
  - (k) **(supplementary disclosure)** if, after despatch of the Scheme Booklet, QV Equities becomes aware:
    - (i) that information included in the Scheme Booklet is or has become misleading or deceptive in any material respect (whether by omission or otherwise); or
    - (ii) of information that is required to be disclosed to QV Equities Shareholders under any applicable law but was not included in the Scheme Booklet,

promptly consult with WAM Leaders in good faith as to the need for, and the form of, any supplementary disclosure to QV Equities Shareholders, and make any disclosure that QV Equities considers reasonably necessary in the circumstances, having regard to applicable laws and to ensure that there would be no breach of clause 10.1(g) if it applied as at the date that information arose;
  - (l) **(Scheme Meeting)** convene the Scheme Meeting to agree to the Scheme in accordance with any orders made by the Court under section 411(1) of the Corporations Act;
  - (m) **(Share Register changes)** inform WAM Leaders within two Business Days of becoming aware of changes involving an QV Equities Shareholder increasing its holding of QV Equities Shares by 1% or more from the date of this agreement (calculated as a proportion of the total number of QV Equities Shares on issue);
  - (n) **(proxy reports)** keep WAM Leaders regularly informed on the status of proxy forms received by the Registry for the Scheme Meeting, including:
    - (i) on the day that is five Business Days before the Scheme Meeting;
    - (ii) on each Business Day following the day that is five Business Days before the Scheme Meeting, up to the deadline for the receipt of proxy forms; and
    - (iii) immediately following the deadline for the receipt of proxy forms;
  - (o) **(lodge copy of Court order)** lodge with ASIC an office copy of the Court order approving the Scheme as approved by the QV Equities Shareholders at the Scheme Meeting in accordance with section 411(10) of the Corporations Act on the day after that office copy is received (or any later date agreed in writing by WAM Leaders);
  - (p) **(proxy solicitation)** if requested by WAM Leaders and at WAM Leaders' expense retain a proxy solicitation services firm to assist QV Equities with the solicitation of votes at the Scheme Meeting and provide WAM Leaders with copies of or access to information regarding the Scheme Meeting generated by that firm, including promptly advising WAM Leaders, at such times as WAM Leaders may reasonably request and at least on a daily basis on each of the last five Business Days prior to the date of the Scheme Meeting, as to the aggregate tally of the votes received by QV Equities in respect of the Scheme;

- (q) **(Calculation of QV Equities NTA for Scheme Consideration)** procure that the QV Equities NTA is calculated for the purposes of the Scheme Consideration, and delivered to WAM Leaders within two Business Days of the Calculation Date along with sufficient supporting information to permit WAM Leaders to review and Confirm the calculation;
- (r) **(Confirmation of WAM Leaders NTA)** subject to clause 5.4, Confirm the WAM Leaders NTA as soon as possible, and in any event within three Business Days of receipt of WAM Leaders' calculation pursuant to clause 5.3(l);
- (s) **(Court approval)** subject to all Conditions Precedent, other than paragraph (c) in clause 3.1, being satisfied or waived in accordance with this agreement, apply to the Court for an order approving the Scheme in accordance with sections 411(4)(b) and 411(6) of the Corporations Act;
- (t) **(Conditions Precedent certificate)** at the hearing on the Second Court Date, provide to the Court (through its counsel):
- (i) a certificate signed by one of its directors and made in accordance with a resolution of the QV Equities Board confirming (in respect of matters within QV Equities' knowledge) whether or not the Conditions Precedent for which it is responsible, as noted in clause 3.1 (other than paragraph (c)), have been satisfied or waived in accordance with clause 3, a draft of which must be provided to WAM Leaders by 5.00pm on the Business Day prior to the Second Court Date; and
  - (ii) any certificate provided to it by WAM Leaders under clause 5.3(n);
- (u) **(Share Register)** close the Share Register as at the Record Date to determine the identity of Scheme Participants and their entitlements to Scheme Consideration;
- (v) **(instruments of transfer)** subject to WAM Leaders satisfying its obligations under clause 4.2, on the Implementation Date:
- (i) execute proper instruments of transfer and effect the transfer of QV Equities Shares to WAM Leaders in accordance with the Scheme; and
  - (ii) register all transfers of QV Equities Shares held by Scheme Participants to WAM Leaders; and
- (w) **(Suspension of trading)** apply to ASX to suspend trading in QV Equities Shares with effect from the close of trading on the Effective Date;
- (x) **(representation)**
- (i) procure that it is represented by counsel at the Court hearings convened for the purposes of section 411(4)(b) of the Corporations Act;
  - (ii) allow, and not oppose, any application by WAM Leaders for leave of the Court to be represented, or the separate representation of WAM Leaders by counsel, at any Court hearings in relation to the Scheme, provided that in making any application for representation or in appearing before the Court, WAM Leaders acts in accordance with this document and does not oppose any application by QV Equities in exercise of its rights under this document;
  - (iii) through its counsel, QV Equities must undertake (if requested by the Court) to do all things and take all steps within its power reasonably

required to obtain Court approval and confirmation of the Scheme as contemplated by this document; and

- (y) **(director and officer changes)** if the Scheme becomes Effective, comply with its obligations under clause 7.3; and
- (z) **(other steps)** do all other things reasonably necessary to give effect to the Scheme and the orders of the Court approving the Scheme.

### 5.3 WAM Leaders' obligations

WAM Leaders must take all reasonable steps to assist QV Equities to implement the Scheme on a basis consistent with this agreement and as soon as reasonably practicable, and in particular must:

- (a) **(Announcement)** on the date of this document, make the Public Announcement in accordance with clause 12.1;
- (b) **(WAM Leaders Information)**
  - (i) prepare and promptly provide to QV Equities for inclusion in the Scheme Booklet the WAM Leaders Information (in accordance with all applicable laws, including the Corporations Act, Corporations Regulations, ASIC Regulatory Guide 60, Takeovers Panel policy and guidance notes and the Listing Rules) and consent to the inclusion of that information in the Scheme Booklet; and
  - (ii) provide QV Equities with drafts of the WAM Leaders Information in a timely manner and consider in good faith any reasonable comments provided by or on behalf of QV Equities, and accepting any rejection by QV Equities to include WAM Leaders' Information to the extent QV Equities, acting reasonably, considers the WAM Leaders Information to be inaccurate or misleading;
- (c) **(affidavit)** undertake appropriate verification processes in relation to the WAM Leaders Information and, after those processes have been completed, provide on or before the First Court Date an affidavit to the Court confirming the due diligence and verification processes undertaken and their completion;
- (d) **(consent)** promptly after QV Equities requests that it does so, confirm in writing to QV Equities that it consents in writing to the inclusion of the WAM Leaders Information in the Scheme Booklet (or any supplementary disclosure to QV Equities Shareholders in respect of the Scheme), such consent is to not be unreasonably withheld;
- (e) **(assistance)** provide any assistance or information reasonably requested by QV Equities in connection with the preparation of the Scheme Booklet (including any supplementary disclosure to QV Equities Shareholders) including promptly reviewing and providing comments on drafts of the Scheme Booklet given to WAM Leaders by QV Equities;
- (f) **(further WAM Leaders Information)** if it becomes aware that any information in the Scheme Booklet is or has become misleading or deceptive in any material respect (whether by omission or otherwise) or otherwise does not comply with all applicable laws, relevant ASIC regulatory guides, Takeovers Panel policy and guidance notes or the ASX Listing Rules, including due to any further or new WAM Leaders Information that arises after the Scheme Booklet has been sent to QV Equities Shareholders, WAM Leaders must:

- (i) promptly advise QV Equities;
  - (ii) consult with QV Equities as to the form and content of any supplementary disclosure to QV Equities Shareholders; and
  - (iii) if the information is WAM Leaders Information:
    - (A) as expeditiously as possible, prepare such updates to the WAM Leaders Information for inclusion in supplementary disclosure by QV Equities to QV Equities Shareholders as is reasonably required to ensure that the WAM Leaders Information contained in the Scheme Booklet is not, having regard to applicable disclosure requirements, false, misleading or deceptive in any material respect (including because of any material omission) and to ensure that there would be no breach of clause 10.5(h) if it applied as at the date on which such further or new WAM Leaders Information arose; and
    - (B) provide QV Equities with drafts of the updates to the WAM Leaders Information in a timely manner, and consider in good faith any reasonable comments provided by or on behalf of QV Equities;
- (g) **(Independent Expert information)** provide any assistance or information reasonably requested by the Independent Expert in connection with the preparation of the Independent Expert's Report;
- (h) **(liaison with ASIC and ASX)** promptly provide assistance reasonably requested by QV Equities in resolving any matter raised by ASIC or ASX regarding the Scheme, Scheme Booklet, or any supplementary disclosure by QV Equities to QV Equities Shareholders in connection with the Scheme;
- (i) **(Court document consultation with QV Equities)** promptly:
  - (i) review and provide comments on the drafts of the documents necessary to the Court proceedings relating to the Scheme given to WAM Leaders by QV Equities;
  - (ii) provide QV Equities with such evidence as is reasonably recommended by QV Equities' counsel to be provided by WAM Leaders in connection with the Court proceedings; and
  - (iii) provide successive drafts of each affidavit or other document to be provided by WAM Leaders (or its Representatives) necessary for the Court proceedings in relation to the Scheme to QV Equities for the purpose of enabling QV Equities to review and comment on those drafts;
- (j) **(representation)** give all undertakings reasonably required to obtain Court approval and confirmation of the Scheme as contemplated by this document;
- (k) **(Deed Poll)** prior to the Scheme Booklet being sent, sign and deliver the Deed Poll;
- (l) **(Calculation of WAM Leaders NTA for Scheme Consideration)** procure that the WAM Leaders NTA is calculated and delivered to QV Equities within two Business Days of the Calculation Date with sufficient supporting information to permit QV Equities to review and Confirm the calculation;

- (m) **(Confirmation of QV Equities NTA)**: subject to clause 5.4, Confirm the QV Equities NTA within three Business Days of receipt of QV Equities' calculation pursuant to clause 5.2(q);
- (n) **(Conditions Precedent certificate)** before 8.00am on the Second Court Date, provide to QV Equities for provision to the Court at the hearing on that date a certificate signed by one of its directors and made in accordance with a resolution of its board confirming (in respect of matters within WAM Leaders' knowledge) whether or not the Conditions Precedent for which WAM Leaders is responsible, as noted in clause 3.1 (other than paragraph (c)), have been satisfied or waived in accordance with clause 3, a draft of which must be provided to QV Equities by 5.00pm on the Business Day prior to the Second Court Date;
- (o) **(transfer)** if the Scheme becomes Effective, execute and deliver instruments of transfer in respect of the Scheme Shares and accept a transfer of the QV Equities Shares as contemplated by clause 4.2(a);
- (p) **(Listing)** procure that the New WAM Leaders Shares to be issued as Scrip Consideration pursuant to the Scheme are approved for official quotation by ASX, subject to any conditions which ASX may reasonably require and which are acceptable to both WAM Leaders and QV Equities, acting reasonably and promptly;
- (q) **(Scrip Consideration)** if the Scheme becomes Effective, register or cause to be registered the Scheme Participants who are to receive the Scrip Consideration under the Scheme (or the nominee of Ineligible Overseas Shareholders appointed for the purpose of the Scheme) as the holders of New WAM Leaders Shares to which those Scheme Participants are entitled under the terms of the Scheme;
- (r) **(Cash Consideration)** if the Scheme becomes Effective, pay the Cash Consideration under the Scheme to the Scheme Participants who have made an Election;
- (s) **(director and officer changes)** if the Scheme becomes Effective, comply with its obligations under clause 7.3 and 7.4; and
- (t) **(other steps)** do all other things reasonably necessary to give effect to the Scheme and the orders of the Court approving the Scheme.

#### **5.4 Confirmation**

If the parties cannot agree the amounts to be Confirmed within three Business Days, the calculations must be referred immediately by the parties to the auditor of the party whose NTA is subject of the calculation, to provide certification of the NTA amount to the standard prescribed by Accounting Standard on Review Engagements ASRE 2410 "Review of a Financial Report Performed by the Independent Auditor of the Entity", within three Business Days of the referral.

#### **5.5 Scheme Booklet responsibility statement**

The responsibility statement to appear in the Scheme Booklet, in a form to be agreed by the parties acting reasonably, will contain words to the effect of:

- (a) QV Equities has prepared, and is responsible for, the content of the Scheme Booklet other than, to the maximum extent permitted by law, the WAM Leaders Information, the Independent Expert's Report or any other report or letter issued



to QV Equities by a third party and that WAM Leaders and its directors and officers do not assume any responsibility for the accuracy or completeness of the sections of the Scheme Booklet that QV Equities has prepared and has responsibility for; and

- (b) WAM Leaders has prepared, and is responsible for, the WAM Leaders Information in the Scheme Booklet (and no other part of the Scheme Booklet) and that QV Equities and its directors and officers do not assume any responsibility for the accuracy or completeness of the sections of the Scheme Booklet that WAM Leaders has prepared and has responsibility for.

## **5.6 Disagreement on content of Scheme Booklet**

If WAM Leaders and QV Equities disagree on the form or content of the Scheme Booklet, they must consult in good faith to try to settle an agreed form of the Scheme Booklet. If complete agreement is not reached after reasonable consultation, then:

- (a) if the disagreement relates to the form or content of the WAM Leaders Information contained in the Scheme Booklet, QV Equities will make any amendments as WAM Leaders, acting in good faith, reasonably requires, subject to WAM Leaders indemnifying QV Equities in respect of any loss or liability which QV Equities or QV Equities' Directors incur as a consequence of inclusion of the WAM Leaders Information in the Scheme Booklet; and
- (b) if the disagreement relates to the form or content of any other part of the Scheme Booklet, the QV Equities Directors will, acting in good faith, decide the final form or content of the disputed part of the Scheme Booklet.

## **5.7 Verification**

Each party must undertake appropriate verification processes for the information supplied by that party in the Scheme Booklet.

## **5.8 Conduct of Court proceeding**

QV Equities and WAM Leaders are entitled to separate representation at all Court proceedings relating to the Scheme. This agreement does not give QV Equities or WAM Leaders any right or power to give undertakings to the Court for or on behalf of the other party without that party's written consent. QV Equities and WAM Leaders must give all undertakings to the Court in all Court proceedings which are reasonably required to obtain Court approval and confirmation of the Scheme, but only to the extent contemplated by this agreement.

## **5.9 Appeal process**

If the Court refuses to make orders convening the Scheme Meeting or approving the Scheme, WAM Leaders and QV Equities must appeal the Court's decision to the fullest extent possible except to the extent that:

- (a) the parties agree otherwise; or
- (b) an independent senior counsel of the New South Wales bar advises that, in their opinion, an appeal would have no reasonable prospect of success before the End Date,

in which case, either party may terminate this agreement in accordance with clause 11.1(f)(iii). The costs of any appeal under this clause 5.9 are to be borne equally between the parties.



## **5.10 No partnership or joint venture**

Subject to this agreement, nothing in this clause requires either party to act at the direction of the other. The business of each party will continue to operate independently from the other until the Implementation Date. The parties agree that nothing in this agreement constitutes the relationship of a partnership or a joint venture between the parties.

## **5.11 Ownership of Names**

- (a) The parties agree that, as soon as practicable after the Implementation Date, WAM Leaders will approve and cause the company name of QV Equities to be changed.
- (b) On and from the Implementation Date, WAM Leaders must not, use (either on its own or in combination with other material), and must procure that no related party of WAM Leaders uses, any trade mark, logo, get up or business, domain or company name containing:
  - (i) QV Equities;
  - (ii) Investors Mutual Limited;
  - (iii) a QV Equities trade mark;
  - (iv) an Investors Mutual Limited trade mark;
  - (v) any word, expression, letter, name, logo or mark that is similar to or likely to be confused with QV Equities or an QV Equities trade mark;
  - (vi) any word, expression, letter, name, logo or mark that is similar to or likely to be confused with Investors Mutual Limited or an Investors Mutual Limited trade mark,
 (together, **QV Equities Naming Rights**), or any other intellectual property of QV Equities or the Manager.

# **6 QV Equities Director recommendation**

## **6.1 Reasonable endeavours**

- (a) QV Equities must use its reasonable endeavours to procure that none of the QV Equities Directors withdraws or changes their recommendation in favour of the Scheme, unless:
  - (i) there is a Superior Proposal and QV Equities has complied with its obligations under clause 9.8; or
  - (ii) the Independent Expert concludes that the Scheme is not in the best interests of the QV Equities Shareholders, withdraws or qualifies its conclusion in any written update to its Independent Expert's Report or otherwise adversely changes the basis of its previously given opinion that the Scheme is in the best interests of the QV Equities Shareholders; or
  - (iii) the QV Equities Board determines in good faith and acting reasonably, having received advice in writing from its legal advisers (who must be reputable advisers experienced in transactions of this nature), that if they maintained their recommendation, it may breach their fiduciary or statutory duties to QV Equities Shareholders.

- (b) For the purposes of this document, if a Competing Transaction is publicly announced in respect of QV Equities, the release by QV Equities of one or more announcements to the effect that QV Equities Shareholders should take no action while the QV Equities Board considers its response will not (in and of itself) be regarded as a failure of QV Equities Directors to maintain the recommendation referred to in this clause 6.1 and elsewhere in this agreement.

## **6.2 Withdrawal or change of recommendation**

- (a) Without limiting clause 9, if a QV Equities Director proposes to withdraw or change their recommendation in accordance with clause 6.1:
- (i) QV Equities must notify WAM Leaders in writing immediately; and
  - (ii) the parties must consult in good faith for two Business Days after the date on which the notification in clause 6.2(a)(i) is given to consider and determine whether the recommendation in place at the time can be maintained.
- (b) QV Equities must use its reasonable endeavours to procure that the recommendation is not withdrawn or changed until the end of the consultation period in clause 6.2(a)(ii).

## **6.3 Fiduciary exception**

The obligation in clause 6.2(a)(ii) to negotiate for the full two Business Days, and the restriction in clause 6.2(b) do not apply where a QV Equities Director, acting in good faith and after taking written advice from QV Equities' external legal advisers experienced in transactions of this nature, determines that a failure to withdraw, change or modify the recommendation before the end of the two Business Day consultation period would be reasonably likely to constitute a breach of the fiduciary duties or statutory obligations of any member of the QV Equities Board to QV Equities.

# **7 Directors**

## **7.1 Release of WAM Leaders Indemnified Parties**

- (a) Subject to the Corporations Act, QV Equities releases its rights, and agrees with WAM Leaders that it will not make a claim, against any WAM Leaders Indemnified Party (other than WAM Leaders) as at the date of this agreement and from time to time in connection with:
- (i) any breach of any representations and warranties of WAM Leaders; or
  - (ii) any disclosure containing any statement which is false or misleading whether in content or by omission,
- whether current or future, known or unknown, arising at common law, in equity, under statute or otherwise, except where the WAM Leaders Indemnified Party has not acted in good faith or has engaged in wilful misconduct or fraud. Nothing in this clause 7.1 limits QV Equities' rights to terminate this agreement under clause 11.1.
- (b) WAM Leaders receives and holds the benefit of this clause to the extent it relates to each WAM Leaders Indemnified Party on behalf of each of them.

## **7.2 Release for QV Equities Indemnified Parties**

- (a) Subject to the Corporations Act, WAM Leaders releases its rights, and agrees with QV Equities that it will not make a claim, against any QV Equities Indemnified Party (other than QV Equities) as at the date of this agreement and from time to time in connection with:
- (i) any breach of any representations and warranties of QV Equities in this agreement; or
  - (ii) any disclosure containing any statement which is false or misleading whether in content or by omission,
- whether current or future, known or unknown, arising at common law, in equity, under statute or otherwise, except where the QV Equities Indemnified Party has not acted in good faith or has engaged in wilful misconduct or fraud. Nothing in this clause 7.2 limits WAM Leaders' rights to terminate this agreement under clause 11.1.
- (b) QV Equities receives and holds the benefit of this clause to the extent it relates to each QV Equities Indemnified Party on behalf of each of them.

## **7.3 Appointment/retirement of QV Equities Directors**

On the Implementation Date, but subject to receipt by QV Equities of signed consents to act, QV Equities must use its reasonable endeavours to:

- (a) cause the appointment of each Incoming Officer to QV Equities; and
- (b) procure that each of the Outgoing Officers retire from QV Equities and provide written notice to the effect that they have no claim outstanding for loss of office, remuneration or otherwise against QV Equities,

in each case, in accordance with the QV Equities Constitution, the Corporations Act and the Listing Rules.

## **7.4 Directors' and officers' indemnities and insurance**

- (a) Subject to the Scheme becoming Effective and subject to clause 7.5, WAM Leaders undertakes and guarantees in favour of QV Equities and each of its directors or officers that it will:
- (i) for a period of seven years from the Implementation Date, ensure that the QV Equities Constitution continues to contain those rules as are contained in the QV Equities Constitution at the date of this agreement that permit QV Equities to indemnify each of its directors and officers against any liability incurred by that person in his or her capacity as a director or officer of QV Equities to any person; and
  - (ii) ensure that there is no variation or termination of:
    - (A) any terms of the QV Equities Constitution or any other organisational document containing an indemnity, right of advancement of expenses, right of insurance or right of access to documents in favour of any current or previous director or officer of QV Equities; or
    - (B) the terms of any indemnities, rights of advancement of expenses, rights to insurance and/or rights of access to documents or information under any deeds of indemnity,

access and insurance (or other agreements) entered into by QV Equities with or in favour of any current or previous directors or officers of QV Equities,

in each case in a manner which is less favourable to those persons than their terms as at the date of this agreement unless such variation or termination is effected with the prior agreement of each affected current or previous director or officer or is otherwise required to procure compliance with, or to prevent a contravention of, applicable law; and

- (iii) procure that QV Equities complies with any deeds of indemnity, access and insurance made by them in favour of their current and previous directors and officers.
- (b) WAM Leaders consents to QV Equities arranging and effecting or procuring the arrangement and effecting of, on or before the Implementation Date, separate directors' and officers' liability run-off insurance to cover for a period of up to seven years from the Implementation Date, the directors, officers and other individuals who are insured under the current directors' and officers' liability insurance policy applicable to QV Equities as at the Implementation Date on terms no less favourable than such current policy in force immediately before the Implementation Date in respect of acts or omissions occurring in the period up to the Implementation Date (**D&O Run-Off Insurance**).
- (c) Each party acknowledges that, provided that clause 7.4(b) has been complied with, the entry into the D&O Run-Off Insurance and payment of the relevant premiums will not constitute a QV Equities Prescribed Occurrence.
- (d) Subject to the Scheme becoming Effective, from the Implementation Date, WAM Leaders must provide, and to procure that QV Equities provides, all information required to give effect to the D&O Run-Off Insurance contemplated in clause 7.4(b), including the provision of reasonable assistance and information in order to make a claim under the D&O Run-Off Insurance.
- (e) WAM Leaders must not, and from the Implementation Date must procure that QV Equities does not, amend or cancel the D&O Run-Off Insurance at any time after the Implementation Date, or do anything or fail to do anything which would prejudice or adversely affect the D&O Run-Off Insurance (or the cover under such) at any time after the Implementation Date.
- (f) WAM Leaders will indemnify and hold harmless each of the QV Equities Directors, QV Equities officers and other individuals who are insured under the current directors and officers liability insurance policy applicable to QV Equities as at the Implementation Date for any breach or failure by WAM Leaders to comply with any aspect of this clause 7.4.

## **7.5 Period of undertaking**

The undertakings and guarantees contained in clause 7.4(a) are given:

- (a) subject to any Corporations Act restriction or any other law of a jurisdiction in which an entity is incorporated, and will be read down accordingly; and
- (b) until the end of the relevant period specified in that clause.

## **7.6 Benefit of undertaking for QV Equities**

QV Equities acknowledges that it receives and holds the benefit of clause 7.4 to the extent it relates to each director and officer of QV Equities on behalf of each of them.

## **8 Conduct of business**

### **8.1 Overview**

From the date of this agreement up to and including the Implementation Date, other than with the prior approval of the other party (which approval must not be unreasonably withheld or delayed) or as required by this agreement, each party must conduct its business:

- (a) in the usual and ordinary course;
- (b) in substantially the same manner as previously conducted in the 12 months prior to the date of this agreement; and
- (c) in accordance with all applicable laws in all material respects.

### **8.2 Specific obligations**

Without limiting clause 8.1 and other than with the prior approval of the other party (which approval must not be unreasonably withheld or delayed) or as required by this agreement, each party must, during the period contemplated by clause 8.1, use all reasonable endeavours to ensure that it:

- (a) **(business and assets)** maintains and preserves intact the condition of its business and assets (subject to market conditions of which WAM Leaders acknowledges QV Equities has no control), and manages its working capital in the ordinary course consistent with past practice;
- (b) **(officers)** keeps available the services of its officers;
- (c) **(relationships)** preserves its relationships with customers, suppliers, licensors, licensees, joint venturers and others with whom it has business dealings;
- (d) **(change of control provisions)** identifies any change of control or similar provisions in any significant contracts (including all Material Contracts) and obtain the consents of relevant persons who have rights under those contracts in respect of the transactions contemplated by the Scheme;
- (e) **(authorisations)** maintain in effect all of its permits and authorisations from any Regulatory Authority which are required for it to operate its business in accordance with clause 8.1;
- (f) **(cash)** ensures there is no material decrease in the amount of cash other than as:
  - (i) used in the ordinary course of business and consistent with forecast cash utilisation;
  - (ii) a result of reasonable costs incurred directly in relation to the Transaction, including engagement of professional advisers (including financial, tax and legal advisers and counsel) in connection with the Transaction;
  - (iii) a result of purchasing directors' and officers' run-off insurance cover (of the type, scope and length contemplated by clause 7.4);

- (iv) in the case of WAM Leaders, a result of paying the WAM Leaders May 2024 Dividend and WAM Leaders Permitted Dividend; or
- (v) in the case of QV Equities, a result of paying the QV Equities March 2024 Dividend or the Further Dividend (as applicable).

### **8.3 Prohibited actions**

Other than with the prior approval of the other party or as required by this agreement, QV Equities and/or WAM Leaders must not, during the period referred to in clause 8.1:

- (a) **(Material Contracts)** subject to clause 8.5(a)(ii), enter into or terminate a Material Contract, provided that either party is permitted to engage professional advisers (including financial, tax and legal advisers and counsel) in connection with the Transaction;
- (b) **(competition)** enter into any contract or commitment restraining it from competing with any person or conducting activities in any market;
- (c) **(related party transactions)** enter into any transaction with any related party as defined in section 228 of the Corporations Act;
- (d) **(accounting policies)** change any accounting policy applied by it to report its financial position other than any change required by a change in accounting standards;
- (e) **(tax)** settle or compromise or make any concessions in relation to any Tax claims, liabilities or disputes or make any election in relation to Tax, or otherwise engage in any transaction, act or event which gives rise to any Tax liability which is outside the ordinary course of business as it was conducted prior to the date of this agreement;
- (f) **(legal proceedings)** settle any legal proceedings, claim, investigation, arbitration or other like proceedings where the amount claimed:
  - (i) With respect to QV Equities, exceeds \$250,000, either individually or in aggregate;
  - (ii) With respect to WAM Leaders, exceeds \$250,000, either individually or in aggregate;
- (g) **(dividends)** announce, declare or pay any dividends other than in the case of:
  - (i) WAM Leaders, the WAM Leaders May 2024 Dividend and WAM Leaders Permitted Dividend;
  - (ii) QV Equities, the QV Equities March 2024 Dividend or the Further Dividend (as applicable); or
- (h) **(agree)** agree or resolve to do any of the matters set out above.

### **8.4 No Prescribed Occurrence**

- (a) During the period commencing on the date of this document and ending on the Implementation Date, QV Equities must ensure that neither it nor any of its Related Bodies Corporate:
  - (i) takes or fails to take any action that constitutes, or that could reasonably be expected to result in or otherwise give rise to, an QV Equities Prescribed Occurrence; or



- (ii) authorises, commits, or agrees to do any such thing.
- (b) During the period commencing on the date of this document and ending on the Implementation Date, WAM Leaders must ensure that no member of the WAM Leaders Group:
  - (i) takes or fails to take any action that constitutes, or that could reasonably be expected to result in or otherwise give rise to, a WAM Leaders Prescribed Occurrence; or
  - (ii) authorises, commits, or agrees to do any such thing.

#### **8.5 Exceptions to conduct of business provisions**

- (a) Nothing in this clause 8 restricts:
  - (i) the ability of QV Equities to take any action which:
    - (A) is expressly required or permitted by this agreement, the Scheme, or otherwise required by law;
    - (B) has been Disclosed to WAM Leaders; or
    - (C) has been agreed to in writing by WAM Leaders; or
  - (ii) the ability of the Manager to manage the portfolio of investments of QV Equities, in accordance with the Management Agreement, which expressly includes the buying and selling of securities as determined by the Manager, and instructions given by QV Equities under the Management Agreement.
- (b) Nothing in this clause 8 restricts:
  - (i) the ability of WAM Leaders to take any action which:
    - (A) is expressly required or permitted by this agreement, the Scheme, or otherwise required by law;
    - (B) has been Disclosed to QV Equities prior to the date of this agreement; or
    - (C) has been agreed to in writing by QV Equities; or
  - (ii) the ability of WAM Leaders Manager to take any action in relation to the portfolio of investments of WAM Leaders permitted under the investment management agreement dated 4 April 2016, which expressly includes the buying and selling of securities as determined by the WAM Leaders Manager.

#### **8.6 Consultation**

- (a) The parties must consult with each other in good faith immediately upon execution of this agreement and for the period up to the Implementation Date, to discuss (and in the case of QV Equities, assist WAM Leaders in preparing) a transition plan to facilitate engagement between the parties' administrators, custodians, managers, banking arrangements, accounting and/or audit functions, to facilitate implementation of the Scheme.
- (b) Without limiting clause 8.6(a), and subject to applicable law, the parties will take all reasonable steps to ensure sufficient cash and cash equivalent, after the

calculation of QV Equities NTA, within the portfolio of QV Equities to facilitate payment of the Cash Consideration on the Implementation Date.

## **8.7 Access to people and QV Equities Information**

- (a) Subject to clause 8.7(b), between the date of this agreement and the Implementation Date, QV Equities must provide WAM Leaders and its officers and advisers with reasonable access to any documents, records, and other information (subject to any existing confidentiality obligations owed to third parties, or applicable privacy laws) and such officers and advisers as reasonably requested by WAM Leaders, at mutually convenient times, for the purposes of:
- (i) understanding QV Equities' financial position (including its cash flow and working capital position), trading performance and management control systems;
  - (ii) implementing the Scheme;
  - (iii) preparing for carrying on the business of QV Equities following implementation of the Scheme; and
  - (iv) any other purpose which is agreed in writing between the parties, provided in every case that the access is reasonable, and does not place an unreasonable burden on the ability of QV Equities to run its business.
- (b) To avoid doubt, the parties acknowledge and agree that nothing in clause 8.7(a) or elsewhere in this document:
- (i) requires a party to take any action that would reasonably be expected to conflict with or violate that party's constituent documents or any applicable law;
  - (ii) requires QV Equities to provide information concerning its directors' or management's consideration of the Scheme or (without limiting QV Equities' obligations under clause 9) a Competing Transaction;
  - (iii) requires a party to provide information that, in the reasonable opinion of the disclosing party:
    - (A) is commercially sensitive;
    - (B) would require QV Equities to make further disclosures to any other entity or to a Regulatory Authority; or
    - (C) would compromise legal privilege.
  - (iv) gives a party any rights to undertake further due diligence; or
  - (v) gives a party any rights as to the decision making of the other party (or its subsidiaries).

## **8.8 Facilitation**

Where in this clause 8 an obligation is imposed on QV Equities to undertake any act or to ensure that an act does not occur, QV Equities must, in addition to doing so itself, take all reasonable steps to seek to procure that the Manager undertakes that act or refrains from undertaking that act (as the case requires) where the terms of the Management Agreement or any other agreement, arrangement or understanding or course of conduct between the Manager and QV Equities imposes responsibility for that matter on the Manager. Nothing in this clause 8.8 requires QV Equities to give an instruction to the

Manager that:

- (a) is not permitted under the Management Agreement; or
- (b) the QV Equities considers, acting reasonably and in good faith:
  - (i) is not in the best interest of the QV Equities Shareholders; or
  - (ii) could, if given, breach their fiduciary or statutory duties to QV Equities Shareholders.

## **9 Exclusivity**

### **9.1 No existing discussions**

QV Equities represents and warrants that, other than the discussions with WAM Leaders in respect of the Transaction, it is not as at the date of this agreement in negotiations or discussions in respect of any Competing Transaction with any person.

### **9.2 No-shop**

During the Exclusivity Period, QV Equities must ensure that neither it nor any of its Representatives directly or indirectly:

- (a) solicits, invites, encourages or initiates any enquiries, negotiations or discussions; or
  - (b) communicates any intention to do any of these things,
- with a view to obtaining any offer, proposal or expression of interest from any person in relation to a Competing Transaction.

### **9.3 No-talk**

Subject to clauses 9.5 and 9.6, during the Exclusivity Period, QV Equities must ensure that neither it nor any of its Representatives:

- (a) negotiates or enters into; or
  - (b) participates in negotiations or discussions with any other person regarding,
- a Competing Transaction or any agreement, understanding or arrangement that may be reasonably expected to lead to a Competing Transaction, even if that person's Competing Transaction was not directly or indirectly solicited, invited, encouraged or initiated by QV Equities or any of its Representatives or the person has publicly announced the Competing Transaction.

### **9.4 Due diligence information**

Subject to clauses 9.5 and 9.6, during the Exclusivity Period, QV Equities must ensure that neither it nor any of its Representatives in relation to a Competing Transaction:

- (a) enables any other person other than WAM Leaders and its Representatives to undertake due diligence investigations on QV Equities or its business or operations in connection with or with a view to obtaining or which would reasonably be expected to lead to such person formulating, developing or finalising, or assisting in the formulation, development or finalisation of, a Competing Transaction; or
- (b) makes available to any other person, or permits any other person to receive, other than WAM Leaders and its Representatives (in the course of due diligence investigations or otherwise) any non-public information relating to QV Equities or

its business or operations, that may reasonably be expected to assist such third party in formulating, developing or finalising a Competing Transaction.

## **9.5 Exceptions**

Clauses 9.3 and 9.4 do not apply to the extent that they restrict QV Equities or the QV Equities Board from taking or refusing to take any action with respect to a genuine Competing Transaction (which was not solicited, invited, encouraged or initiated by QV Equities in contravention of clause 9.2) provided that the QV Equities Board has determined, acting in good faith that:

- (a) after consultation with its financial advisers, such a genuine Competing Transaction is, or could reasonably be considered to become, a Superior Proposal; and
- (b) after receiving written legal advice from their external legal advisers (who must be reputable advisers experienced in transactions of this nature) that failing to respond to such a genuine Competing Transaction would be reasonably likely to constitute a breach of any member of the QV Equities Board's fiduciary duties or statutory obligations.

## **9.6 Further exceptions**

Nothing in this agreement prevents QV Equities from:

- (a) continuing to make normal presentations to, and to respond to enquiries from, brokers, portfolio investors and analysts in the ordinary course in relation to the Scheme or its business generally;
- (b) fulfilling its continuous disclosure requirements; or
- (c) otherwise disclosing non-public information to its auditors or advisers, or a Regulatory Authority in the ordinary course of its business or as required under QV Equities' existing contractual obligations provided it is not done in a manner which is intended to circumvent the intent of the exclusivity provisions of this agreement; or
- (d) otherwise complying with its obligations at law from time to time.

## **9.7 Notice of unsolicited approach**

During the Exclusivity Period, QV Equities must promptly inform WAM Leaders if QV Equities or any of its Representatives:

- (a) receives any unsolicited approach with respect to any Competing Transaction and must disclose to WAM Leaders:
  - (i) material details of the Competing Transaction; and
  - (ii) details of the proposed bidder or acquirer; and/or
- (b) receives any request for information relating to QV Equities or any of its Related Bodies Corporate or any of their businesses or operations or any request for access to the books or records of QV Equities or any of its Related Bodies Corporate, which QV Equities has reasonable grounds to suspect may relate to a current or future Competing Transaction; and/or
- (c) provides any information relating to QV Equities or any of its Related Bodies Corporate or any of its business or operations to any person in connection with or for the purposes of a current or future Competing Transaction,

and for the avoidance of doubt, this obligation is not subject to the QV Equities Board reaching a determination under 9.8(a).

## **9.8 Matching right**

Without limiting clauses 9.2 and 9.3, during the Exclusivity Period, QV Equities must not enter into, or agree to enter into, any legally binding agreement, arrangement or understanding to undertake or give effect to a Competing Transaction, unless:

- (a) the QV Equities Board, acting in good faith and after consultation with its financial advisers and external legal advisers, as contemplated under clause 9.5, determines that:
  - (i) the proposed Competing Transaction would constitute an actual, proposed or potential Superior Proposal; and
  - (ii) failure to take that action would be inconsistent with the QV Equities Directors' fiduciary duties or statutory obligations;
- (b) QV Equities has given WAM Leaders:
  - (i) the information contemplated by clause 9.7; and
  - (ii) notice of the QV Equities Directors' determination under clause 9.8(a);
- (c) QV Equities has given WAM Leaders at least five Business Days after the later of;
  - (i) the date that QV Equities notifies WAM Leaders that the QV Equities Directors have determined that the Competing Transaction would be or would be reasonably likely to be an actual, proposed or potential Superior Proposal under clause 9.8(a)(i); and
  - (ii) the date of the provision of the information referred to in clause 9.7, to provide a matching or superior proposal to the terms of the actual, proposed or potential Competing Transaction; and
- (d) either:
  - (i) WAM Leaders has not provided a WAM Leaders Counterproposal to QV Equities by the expiry of the five Business Day period referred to in clause 9.8(c); or
  - (ii) WAM Leaders has provided a WAM Leaders Counterproposal to QV Equities, but the QV Equities Board determines, acting reasonably and in good faith, after consultation with its financial advisers and after receiving written legal advice from their external legal advisers (who must be reputable advisers experienced in transactions of this nature), that the WAM Leaders Counterproposal would not provide an equivalent or superior outcome for QV Equities Shareholders as a whole compared with the Competing Transaction, taking into account all of the terms and conditions of the WAM Leaders Counterproposal.

QV Equities acknowledges and agrees that each successive material modification of any Competing Transaction will constitute a new actual, proposed or potential Competing Transaction for the purposes of the requirements under clauses 9.8(b) and 9.8(c) and accordingly QV Equities must comply with clauses 9.8(b) and 9.8(c) in respect of any such new actual, proposed or potential Competing Transaction.

## **9.9 WAM Leaders Counterproposal**

- (a) If by the expiry of the five Business Day period referred to in clause 9.8(c) WAM Leaders proposes to QV Equities amendments to the Scheme or makes a new proposal that may reasonably constitute a matching or superior proposal to the terms of the actual, proposed or potential Competing Transaction (**WAM Leaders Counterproposal**), then:
- (i) subject to applicable law, QV Equities must procure that the QV Equities Board considers the WAM Leaders Counterproposal; and
  - (ii) if the QV Equities Board, acting reasonably and in good faith, determines that the WAM Leaders Counterproposal would provide an equivalent or superior outcome for QV Equities Shareholders as a whole compared with the Competing Transaction, taking into account all of the terms and conditions of the WAM Leaders Counterproposal, then:
    - (A) QV Equities and WAM Leaders must use their reasonable endeavours to agree the amendments to this agreement and, if applicable, the Scheme and Deed Poll, that are reasonably necessary to reflect the WAM Leaders Counterproposal and to implement the WAM Leaders Counterproposal, in each case as soon as reasonably practicable; and
    - (B) QV Equities must use its reasonable endeavours to procure that each of the QV Equities Directors continues to recommend the Transaction (as modified by the WAM Leaders Counterproposal) to QV Equities Shareholders subject only to no Superior Proposal emerging and to the Independent Expert concluding (and continuing to conclude) that the Transaction, as modified by the WAM Leaders Counterproposal, is in the best interests of QV Equities Shareholders.
- (b) Each successive amendment to any proposal by WAM Leaders that is a WAM Leaders Counterproposal constitutes a new WAM Leaders Counterproposal for the purposes of this clause 9.9, and clause 9.8 and 9.9 will apply in relation to that WAM Leaders Counterproposal.

## **9.10 Legal advice**

QV Equities acknowledges that it has received legal advice on this agreement and the operation of this clause.

# **10 Representations and warranties**

## **10.1 QV Equities' Representations and Warranties**

QV Equities represents and warrants to WAM Leaders (on its own behalf and separately as trustee or nominee for each of the WAM Leaders directors) that each of the following statements is true and correct in all material respects as at the date of this agreement and as at 8.00am on the Second Court Date:

- (a) **(status)** it has been incorporated or formed in accordance with the laws of its place of incorporation;
- (b) **(power)** it has power to enter into this agreement, to comply with its obligations under it and exercise its rights under it;



- (c) **(no contravention)** the entry by it into, its compliance with its obligations and the exercise of its rights under, this agreement do not and will not conflict with:
- (i) its constituent documents or cause a limitation on its powers or the powers of its directors to be exceeded;
  - (ii) any law binding on or applicable to it or its assets; or
  - (iii) any material document or agreement that is binding on it or its Subsidiaries;
- (d) **(authorisations)** it has in full force and effect each authorisation necessary for it to enter into this agreement, subject to satisfaction of the Conditions Precedent, to comply with its obligations and exercise its rights under it, and to allow them to be enforced;
- (e) **(validity of obligations)** its obligations under this agreement are valid and binding and are enforceable against it in accordance with its terms;
- (f) **(reliance)** the QV Equities Information contained in the Scheme Booklet will be included in good faith and on the understanding that WAM Leaders and its directors will rely on that information for the purposes of considering and approving the WAM Leaders Information in the Scheme Booklet before it is despatched, approving the entry into the Deed Poll and implementing the Scheme;
- (g) **(QV Equities Information)** the QV Equities Information provided in accordance with this agreement and included in the Scheme Booklet as at the date of the Scheme Booklet will not contain any material statement which is misleading or deceptive nor contain any material omission having regard to applicable disclosure requirements and will comply in all material respects with the requirements of the Corporations Act, the Listing Rules and all relevant regulatory guides and other guidelines and requirements of ASIC;
- (h) **(disclosure)** the QV Equities Disclosure Material contains all information actually known to QV Equities (having made reasonable enquiries) as at the date of this agreement regarding matters affecting or relating to it:
- (i) which is not already in the public domain; and
  - (ii) the disclosure of which might reasonably be expected to have resulted in WAM Leaders not entering into this agreement at all or only entering into this agreement on materially different terms;
- (i) **(continuous disclosure)** QV Equities is not in breach of its continuous disclosure obligations under the Listing Rules and is not relying on the carve-out in Listing Rule 3.1A to withhold any information from disclosure (other than the Transaction contemplated by this agreement);
- (j) **(complete and accurate)** all information provided to WAM Leaders by QV Equities in connection with this agreement, whether under due diligence or not, is, to the best of QV Equities' knowledge acting reasonably, complete and accurate in all material respects and is not misleading, whether by way of omission or otherwise;
- (k) **(reasonable assumptions)** to the extent information provided to WAM Leaders, whether under due diligence or not, in connection with this agreement, includes forward looking statements, those forward looking statements are based on

assumptions which QV Equities reasonably believes, as at the date the information was provided and continues to believe, to be reasonable;

- (l) **(compliance)** QV Equities has complied in all material respects with all Australian and foreign laws and regulations applicable to it and orders of Australian and foreign governmental agencies having jurisdiction over it and has all material licences and permits necessary for it to conduct its business as presently being conducted;
- (m) **(opinions)** any statement of opinion or belief contained in the QV Equities Information is honestly held and there are reasonable grounds for holding the opinion or belief;
- (n) **(provision of information to Independent Expert)** all information provided by or on behalf of QV Equities to the Independent Expert to enable the Independent Expert's Report to be prepared and completed will be provided in good faith and on the understanding that the Independent Expert will rely upon that information for the purpose of preparing the Independent Expert's Report;
- (o) **(no default)** QV Equities is not in material default under any document, agreement or instrument binding on it or its assets and which is material to QV Equities taken as a whole, nor has anything occurred which is or would with the giving of notice or lapse of time constitute an event of default, prepayment event or similar event, or give another party a termination right or right to accelerate any right or obligation, under any such document or agreement with that effect;
- (p) **(securities)** QV Equities' issued securities as at the date of this agreement are 227,412,619 QV Equities Shares, and other than as Disclosed it has not issued or agreed to issue any other securities or instruments which are still outstanding and which may convert into QV Equities Shares; and
- (q) **(no Encumbrances)** there are no material Encumbrances over all or any of its assets or revenues;
- (r) **(no Subsidiaries)** QV Equities has no Subsidiaries;
- (s) **(litigation or regulatory investigation)** there is no material litigation or regulatory investigation commenced or (so far as QV Equities is aware) threatened against QV Equities of any nature;
- (t) **(Insolvency event)** QV Equities is not Insolvent;
- (u) **(accounting)** QV Equities:
  - (i) has followed the same accounting policies, practices and procedures at year end June 2023, and month end December 2023 and January 2024, including in respect of calculating or preparing:
    - (A) closing month end procedures;
    - (B) accounting for investments revenue recognition; and
    - (C) NTA,
  - (ii) for the term of this agreement and for the purposes of calculating the QV Equities NTA, will not alter or deviate from these accounting policies, practices and procedures; and

- (iii) has at all times and will continue to comply with all Australian Accounting Standards (including the Australian Accounting Interpretations);
- (v) **(QV Equities Shares not indirect Australian real property interests)** the relevant QV Equities Shares held by each Scheme Participant are not, and until (and including) the Implementation Date will not be, indirect Australian real property interests within the meaning of Division 855 of the Tax Act for the Scheme Participant;
- (w) **(no Manager compensation for termination)** implementation of the Transaction will not entitle the Manager to amend the terms of the Management Agreement, or require QV Equities to pay compensation to the Manager under the terms of the Management Agreement other than as accrued and payable within QV Equities Transaction Costs;
- (x) **(Management Agreement)** the Management Agreement:
  - (i) does not provide for the payment of any fees or other sum to the Manager that has not been Disclosed; and
  - (ii) requires the Manager to comply with any reasonable and lawful direction of the QV Equities Board in relation to the liquidation of assets within the portfolio, and WAM Leaders agrees any such direction to the Manager will be subject to the QV Equities Board's fiduciary and statutory duties; and
- (y) **(change of control)** there is no agreement or other instrument to which QV Equities is a party, or (so far as QV Equities is aware) by or to which QV Equities or any of its assets are bound or subject, pursuant to which a person other than QV Equities has the right to take an action (as a result of the Scheme) which would have the following consequence (to an extent which is material in the context of QV Equities taken as a whole) if exercised:
  - (i) any monies borrowed by QV Equities being or becoming repayable or being capable of being declared repayable immediately or earlier than the repayment date stated in that agreement or other instrument;
  - (ii) any such agreement or other instrument being terminated or modified or any action being taken or arising under the agreement or instrument; or
  - (iii) the interest of QV Equities in any firm, joint venture, trust, corporation or other entity (or any arrangements relating to that interest) being terminated or modified.

## **10.2 QV Equities' indemnity**

QV Equities indemnifies the WAM Leaders Indemnified Parties against all Losses (but excluding all consequential losses) incurred directly as a result of any of the representations and warranties in clause 10.1 not being true and correct, subject to the extent any act or omission of any one or more of the WAM Leaders Indemnified Parties caused or contributed to the Losses.

## **10.3 QV Equities' knowledge or awareness**

Where a QV Equities Representation and Warranty is given 'to the best of QV Equities' knowledge', or 'so far as QV Equities is aware' or with a similar qualification as to QV Equities' awareness or knowledge, QV Equities will be deemed to know or be aware of a

particular fact, matter or circumstance at a given time if, at that time, the Independent Board Committee is actually aware of that fact, matter or circumstance as at the date the QV Equities Representation and Warranty is given.

#### **10.4 Qualifications on QV Equities' representations, warranties and indemnities**

The QV Equities Representations and Warranties and the indemnity in clause 10.2 are qualified by matters which:

- (a) are expressly provided for in this agreement;
- (b) has been consented to by WAM Leaders;
- (c) have been Disclosed; or
- (d) are within the actual knowledge of WAM Leaders as at the date of this agreement.

#### **10.5 WAM Leaders' Representations and Warranties**

WAM Leaders represents and warrants to QV Equities (on its own behalf and separately as trustee or nominee for each of the QV Equities Directors) that each of the following statements is true and correct in all material respects as at the date of this agreement and as at 8.00am on the Second Court Date:

- (a) **(status)** it has been incorporated or formed in accordance with the laws of its place of incorporation;
- (b) **(power)** it has power to enter into this agreement, to comply with its obligations under it and exercise its rights under it;
- (c) **(not representative capacity)** it is not entering into this document as trustee of any trust or settlement or otherwise in a representative capacity;
- (d) **(no contravention)** the entry by it into, its compliance with its obligations and the exercise of its rights under, this agreement do not and will not conflict with:
  - (i) its constituent documents or cause a limitation on its powers or the powers of its directors to be exceeded;
  - (ii) any law binding on or applicable to it or its assets; or
  - (iii) any material document or agreement that is binding on it or its Subsidiaries;
- (e) **(authorisations)** it has in full force and effect each authorisation necessary for it to enter into this agreement, and subject to satisfaction of the Conditions Precedent, to comply with its obligations and exercise its rights under it, and to allow them to be enforced;
- (f) **(validity of obligations)** its obligations under this agreement are valid and binding and are enforceable against it in accordance with its terms;
- (g) **(reliance)** the WAM Leaders Information provided to QV Equities for inclusion in the Scheme Booklet will be provided in good faith and on the understanding that QV Equities and its directors will rely on that information for the purposes of preparing the Scheme Booklet and proposing and implementing the Scheme in accordance with the Corporations Act;
- (h) **(WAM Leaders Information)** the WAM Leaders Information provided in accordance with this agreement and included in the Scheme Booklet, as at the

date of the Scheme Booklet, will not contain any material statement which is misleading or deceptive nor contain any material omission having regard to applicable disclosure requirements and will comply in all material respects with the requirements of the Corporations Act, the Listing Rules and all relevant regulatory guides and other guidelines and requirements of ASIC;

- (i) **(reasonable assumptions)** to the extent information provided to QV Equities, whether under due diligence or not, in connection with this agreement, includes forward looking statements, those forward looking statements are based on assumptions which WAM Leaders reasonably believes, as at the date the information was provided and continues to believe, to be reasonable;
- (j) **(disclosure)** the WAM Leaders Disclosure Material contains all information actually known to WAM Leaders (having made reasonable enquiries) as at the date of this agreement regarding matters affective or relating to it:
  - (i) which is not already in the public domain; and
  - (ii) the disclosure of which might reasonably be expected to have results in QV Equities not entering into this agreement at all or only entering into this agreement on materially different terms.
- (k) **(continuous disclosure)** WAM Leaders is not in breach of its continuous disclosure obligations under the Listing Rules and is not relying on the carve-out in Listing Rule 3.1A to withhold any information from disclosure (other than the Transaction contemplated by this agreement);
- (l) **(complete and accurate):** all information provided to QV Equities by WAM Leaders in connection with this agreement, whether under due diligence or not, is to the best of WAM Leaders' knowledge acting reasonably, complete and accurate in all material respects and is not misleading, whether by way of omission or otherwise;
- (m) **(compliance)** WAM Leaders has complied in all material respects with all Australian and foreign laws and regulations applicable to them and orders of Australian and foreign governmental agencies having jurisdiction over it and has all material licenses, permits and franchises necessary for it to conduct its businesses as presently being conducted;
- (n) **(opinions)** any statement of opinion or belief contained in the WAM Leaders Information is honestly held and there are reasonable grounds for holding the opinion or belief;
- (o) **(no dealing with QV Equities Shareholders)** neither WAM Leaders nor any of its Associates has any agreement, arrangement or understanding with any QV Equities Shareholder under which that QV Equities Shareholder (or an Associate of that QV Equities Shareholder) would be entitled to receive consideration for their QV Equities Shares different from the Scheme Consideration or under which the QV Equities Shareholder agrees to vote in favour of the Scheme or against any Competing Transaction;
- (p) **(provision of information to Independent Expert)** all information provided by or on behalf of WAM Leaders to the Independent Expert to enable the Independent Expert's Report to be prepared and completed will be provided in good faith and on the understanding that the Independent Expert will rely upon that information for the purpose of preparing the Independent Expert's Report;



- (q) **(no default)** WAM Leaders is not in material default under any document, agreement or instrument binding on it or its assets and which is material to WAM Leaders taken as a whole, nor has anything occurred which is or would with the giving of notice or lapse of time constitute an event of default, prepayment event or similar event, or give another party a termination right or right to accelerate any right or obligation, under any such document or agreement with that effect;
- (r) **(securities)** WAM Leaders' issued securities as at the date of this agreement are 1,260,001,474 WAM Leaders Shares and other than as Disclosed prior to the date of this agreement it has not issued or agreed to issue any other securities or instruments which are still outstanding and which may convert into WAM Leaders Shares;
- (s) **(no Encumbrances)** there are no material Encumbrances over all or any of its assets or revenues;
- (t) **(no Subsidiaries)** WAM Leaders has no trading Subsidiaries;
- (u) **(Consideration)** the WAM Leaders Shares issued under the Scheme will, on issue:
- (i) be duly issued and fully paid;
  - (ii) be free from any Encumbrance and interest of third parties of any kind, whether legal or otherwise, or restriction on transfer of any kind; and
  - (iii) rank equally in all respects, including for future dividends, with all existing WAM Leaders Shares;
- (v) **(litigation or regulatory investigation)** there is no litigation or regulatory investigation commenced or (so far as WAM Leaders is aware) threatened against WAM Leaders of any nature;
- (w) **(WAM Leaders Shares not indirect Australian real property interests)** WAM Leaders Shares are not, and until (and including) the Implementation Date will not be, indirect Australian real property interests within the meaning of Division 855 of the Tax Act for the holders of WAM Leaders Shares;
- (x) **(Insolvency event)** WAM Leaders is not Insolvent; and
- (y) **(accounting)** WAM Leaders:
- (i) has followed the same accounting policies, practices and procedures at year end June 2023, and month end December 2023 and January 2024, including in respect of calculating or preparing:
    - (A) closing month end procedures;
    - (B) accounting for investments revenue recognition; and
    - (C) NTA,
  - (ii) for the term of this agreement and for the purposes of calculating the WAM Leaders NTA, will not alter or deviate from these accounting policies, practices and procedures; and
  - (iii) has at all times and will continue to comply with all Australian Accounting Standards (including the Australian Accounting Interpretations).



#### **10.6 WAM Leaders' indemnity**

WAM Leaders indemnifies the QV Equities Indemnified Parties against all Losses (but excluding all consequential losses) incurred directly or indirectly as a result of any of the representations and warranties in clause 10.5 not being true and correct, subject to the extent any act or omission of any one or more of the QV Equities Indemnified Parties caused or contributed to the Losses.

#### **10.7 WAM Leaders' knowledge or awareness**

Where a WAM Leaders Representation and Warranty is given 'to the best of WAM Leaders' knowledge', or 'so far as WAM Leaders is aware' or with a similar qualification as to WAM Leaders' awareness or knowledge, WAM Leaders will be deemed to know or be aware of a particular fact, matter or circumstance at a given time only if, at that time, any of the WAM Leaders directors or Jesse Hamilton (WAM Leaders' joint company secretary) is actually aware of that fact, matter or circumstance as at the date the WAM Leaders Representation and Warranty is given.

#### **10.8 Qualifications on WAM Leaders' representations, warranties and indemnities**

The WAM Leaders Representations and Warranties and the indemnity in clause 10.6 are qualified by matters which:

- (a) are expressly provided for in this agreement;
- (b) have been Disclosed in writing to QV Equities; or
- (c) are within the actual knowledge of QV Equities as at the date of this agreement.

#### **10.9 Limitations of liability**

- (a) Notwithstanding any other provision of this agreement:
  - (i) the maximum aggregate liability of QV Equities to the WAM Leaders Indemnified Parties under or in connection with this agreement including in respect of any breach of the agreement will be \$2,500,000; and
  - (ii) the maximum liability amount referred to in clause 10.9(a)(i) represents the maximum and absolute amount of the liability of QV Equities under or in connection with this agreement and no further damages, fees, expenses or reimbursements of any kind will be payable by QV Equities in connection with this agreement.
- (b) Notwithstanding any other provision of this agreement:
  - (i) the maximum liability of WAM Leaders to QV Equities Indemnified Parties under or in connection with this agreement including in respect of any breach of the agreement will be \$2,500,000; and
  - (ii) the maximum liability amount referred to in clause 10.9(b)(i) represents the maximum and absolute amount of the liability of WAM Leaders under or in connection with this agreement and no further damages, fees, expenses or reimbursements of any kind will be payable by WAM Leaders in connection with this agreement,

except that nothing in this clause 10.9 limits the liability of WAM Leaders for any breach of clauses 4.2(a), 4.5(b), 4.6 or 10.5(u).
- (c) Nothing in this clause 10.9 limits the liability of any party for fraud.

## **11 Termination**

### **11.1 Termination events**

This agreement may be terminated:

- (a) **(End Date)** by either party, if the Scheme has not become Effective on or before the End Date;
- (b) **(lack of support)** by WAM Leaders at any time prior to 8.00am on the Second Court Date if any QV Equities Director changes their recommendation to the QV Equities Shareholders that they vote in favour of the resolution to approve the Scheme, including any adverse modification to their recommendation, or otherwise makes a public statement indicating that they no longer support the Scheme;
- (c) **(material breach)** by either party at any time prior to 8.00am on the Second Court Date, if the other is in material breach of a term of this agreement (including any representation and warranty not being true and correct), taken in the context of the Scheme as a whole, provided:
  - (i) the non-defaulting party has given notice to the other setting out the relevant circumstances giving rise to the breach, and stating an intention to terminate this document;
  - (ii) the relevant circumstances giving rise to the breach are not remedied to the non-defaulting party's reasonable satisfaction by the earlier of:
    - (A) five Business Days after the date of the notice given by the non-defaulting party under clause 11.1(c)(i); or
    - (B) any shorter period ending at 8.00am on the Second Court Date;
- (d) **(competing interest)** by WAM Leaders at any time prior to the QV Equities Shareholders approving the Scheme by the requisite majorities in accordance with the Corporations Act, if a person (other than WAM Leaders or its Associates) acquires a Relevant Interest in more than 20% of QV Equities Shares;
- (e) **(Competing Transaction)** by QV Equities at any time prior to 8.00am on the Second Court Date if the QV Equities Board determines that a Competing Transaction that was not solicited, invited, encouraged or initiated in breach of clause 9.2 is a Superior Proposal, and either:
  - (i) WAM Leaders has not made a WAM Leaders Counterproposal within the five day period mandated under clause 9.8; and/or
  - (ii) following consideration of a WAM Leaders Counterproposal under clause 9.9, the QV Equities Board determines that that the WAM Leaders Counterproposal would not provide an equivalent or superior outcome for QV Equities Shareholders as a whole compared with the Competing Transaction;
- (f) **(consultation or appeal failure)** in accordance with and under:
  - (i) clause 3.8(a)(i);
  - (ii) clause 3.8(a)(ii); or

- (iii) clause 5.9;
- (g) **(agreement)** if agreed to in writing by WAM Leaders and QV Equities;
- (h) **(Independent Expert)** by QV Equities at any time prior to 8.00am on the Second Court Date if the Independent Expert concludes in the Independent Expert's Report (or any update or variation to that report) that the Transaction is not in the best interests of QV Equities Shareholders, or adversely changes its previously given opinion in the Independent Expert's Report (or any update or variation to that report) that the Transaction is in the best interests of QV Equities Shareholders; or
- (i) **(Insolvency)** by either party if the other party becomes Insolvent.

## **11.2 Termination**

Where a party has a right to terminate this agreement, that right for all purposes will be validly exercised if the party delivers a notice in writing to the other party stating that it terminates this agreement.

## **11.3 Effect of Termination**

If this agreement is terminated by either party, or if this agreement otherwise terminates in accordance with its terms, then in either case all further obligations of the parties under this agreement, other than the obligations set out in this clause 11.3 and in clauses 5.9, 10.9, 12 to 17 (inclusive) will immediately cease to be of further force and effect without further liability of any party to the other, provided that nothing in this clause releases any party from liability for any pre-termination breach of this agreement.

# **12 Public Announcements**

## **12.1 Public Announcement of Transaction**

Immediately after signing this agreement, QV Equities and WAM Leaders must issue a joint public announcement of the Transaction in the form contained in Annexure A (**Public Announcement**).

## **12.2 Required disclosure**

Where a party is required by any applicable law or any Listing Rule to make any announcement or make any disclosure in connection with the Transaction, it must use all reasonable endeavours, to the extent possible, to consult with the other party prior to making the relevant disclosure.

## **12.3 Other announcements**

Subject to clauses 12.1 and 12.2, no party may make any public announcement or disclosure in connection with the Transaction (including disclosure to a Regulatory Authority) other than in a form approved by each party (acting reasonably) unless that party is repeating or summarising points from the Public Announcement or an announcement previously approved by each party. Each party will use all reasonable endeavours to provide that approval as soon as practicable.

# **13 Confidential Information**

## **13.1 Confidentiality Agreement**

WAM Leaders and QV Equities acknowledge and agree that the parties to the Confidentiality Agreement continue to be bound by the Confidentiality Agreement in

respect of all information received by it from or on behalf of the other party on, before or after the date of this agreement.

### **13.2 Survival of obligations**

The rights and obligations of the parties to the Confidentiality Agreement survive termination (for whatever reason) of this agreement.

## **14 Notices and other communications**

### **14.1 Form**

Unless this agreement expressly states otherwise, all notices, demands, certificates, consents, approvals, waivers and other communications in connection with this agreement must be in writing and signed by the sender (if an individual) or an authorised officer of the sender.

All communications (other than email communications) must also be marked for the attention of the person referred to in the Details (or, if the recipient has notified otherwise, then marked for attention in the way last notified).

Email communications must state the first and last name of the sender and are taken to be signed by the named sender.

### **14.2 Delivery**

Communications must be:

- (a) left at the address referred to in the Details;
- (b) sent by regular ordinary post (airmail if appropriate) to the address referred to in the Details; or
- (c) sent by email to the address referred to in the Details.

If the intended recipient has notified changed contact details, then communications must be sent to the changed contact details.

### **14.3 When effective**

Communications take effect from the time they are received or taken to be received under clause 14.4 (whichever happens first) unless a later time is specified in the communication.

### **14.4 When taken to be received**

Communications are taken to be received:

- (a) if sent by post, two Business Days after posting (or 10 days after posting if sent from one country to another);
- (b) if sent by email:
  - (i) when the sender receives an automated message confirming delivery; or
  - (ii) four hours after the time sent (as recorded on the device from which the sender sent the email) unless the sender receives an automated message that delivery failed,

whichever happens first.

#### **14.5 Receipt outside business hours**

Despite anything else in this clause 14, if communications are received or taken to be received under clause 14.4 after 5.00pm on a Business Day or on a non-Business Day, they are taken to be received at 9.00am on the next Business Day. For the purposes of this clause, the place in the definition of Business Day is taken to be the place specified in the Details as the address of the recipient and the time of receipt is the time in that place.

### **15 GST**

#### **15.1 Definitions and interpretation**

For the purposes of this clause:

- (a) a term which has a defined meaning in the GST Act has the same meaning when used in this clause, unless the contrary intention appears; and
- (b) each periodic or progressive component of a supply to which section 156-5(1) of the GST Act applies will be treated as if it were a separate supply.

#### **15.2 GST exclusive**

Unless this agreement expressly states otherwise, all consideration to be provided under this agreement is exclusive of GST.

#### **15.3 Payment of GST**

- (a) If GST is payable, or notionally payable, on a supply in connection with this agreement, the party providing the consideration for the supply agrees to pay to the supplier an additional amount equal to the amount of GST payable on that supply (**GST Amount**).
- (b) Subject to the prior receipt of a tax invoice, the GST Amount is payable at the same time as the GST-exclusive consideration for the supply, or the first part of the GST-exclusive consideration for the supply (as the case may be), is payable or is to be provided.
- (c) This clause does not apply to the extent that the consideration for the supply is expressly stated to include GST or the supply is subject to a reverse-charge.

#### **15.4 Adjustment events**

If an adjustment event arises for a supply made in connection with this agreement, the GST Amount must be recalculated to reflect that adjustment. The supplier or the recipient (as the case may be) agrees to make any payments necessary to reflect the adjustment and the supplier agrees to issue an adjustment note.

#### **15.5 Reimbursements**

Any payment, indemnity, reimbursement or similar obligation that is required to be made in connection with this agreement which is calculated by reference to an amount paid by another party must be reduced by the amount of any input tax credits which the other party (or the representative member of any GST group of which the other party is a member) is entitled. If the reduced payment is consideration for a taxable supply, clause 15.3 will apply to the reduced payment.

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## **16 Costs**

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### **16.1 Costs**

The parties agree to pay their own Transaction Costs if this agreement is terminated by either party for any reason.

### **16.2 Stamp duty and registration fees**

(a) WAM Leaders:

- (i) agrees to pay or reimburse all stamp duty, registration fees and similar Taxes payable or assessed as being payable in connection with this agreement, the Transaction or any other transaction contemplated by this agreement (including any fees, fines, penalties and interest in connection with any of those amounts); and
- (ii) indemnifies QV Equities against, and agrees to reimburse and compensate it for, any liability in respect of stamp duty, fees and Taxes under clause 16.2(a)(i).

(b) WAM Leaders agrees to pay amounts due to QV Equities under this clause within three Business Days of demand from WAM Leaders. However, WAM Leaders need not pay, reimburse or indemnify against any fees, fines, penalties or interest to the extent they have been imposed as a result of actions by QV Equities.

## **17 General**

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### **17.1 Variation and waiver**

A provision of this agreement, or right, power or remedy created under it, may not be varied or waived except in writing signed by the party to be bound.

### **17.2 Consents, approvals or waivers**

By giving any approval, consent or waiver a party does not give any representation or warranty as to any circumstance in connection with the subject matter of the consent, approval or waiver.

### **17.3 Discretion in exercising rights**

Unless this agreement expressly states otherwise, a party may exercise a right, power or remedy or give or refuse its consent, approval or a waiver in connection with this agreement in its absolute discretion (including by imposing conditions).

### **17.4 Partial exercising of rights**

Unless this agreement expressly states otherwise, if a party does not exercise a right, power or remedy in connection with this agreement fully or at a given time, they may still exercise it later.

### **17.5 Conflict of interest**

Each party may exercise their rights, powers and remedies in connection with this agreement even if this involves a conflict of duty or they have a personal interest in their exercise.



**17.6 Remedies cumulative**

The rights, powers and remedies in connection with this agreement are in addition to other rights, powers and remedies given by law independently of this agreement.

**17.7 Indemnities and reimbursement obligations**

Any indemnity, reimbursement or similar obligation in this agreement.

- (a) is a continuing obligation despite the satisfaction of any payment or other obligation in connection with this agreement, any settlement or any other thing;
- (b) is independent of any other obligations under this agreement; and
- (c) continues after this agreement, or any obligation arising under it, ends.

It is not necessary for a party to incur expense or make payment before enforcing a right of indemnity in connection with this agreement.

**17.8 Inconsistent law**

To the extent the law permits, this agreement prevails to the extent it is inconsistent with any law.

**17.9 Supervening law**

Any present or future law which operates to vary the obligations of a party in connection with this agreement with the result that another party's rights, powers or remedies are adversely affected (including, by way of delay or postponement) is excluded except to the extent that its exclusion is prohibited or rendered ineffective by law.

**17.10 Counterparts**

This agreement may consist of a number of copies, each signed by one or more parties to it. If so, the signed copies are treated as making up a single document and the date on which the last counterpart is executed is the date of the document.

**17.11 Entire agreement**

This agreement constitutes the entire agreement of the parties about its subject matter and supersedes all previous agreements, understandings and negotiations on that subject matter.

**17.12 Further steps**

Each party agrees to do anything (such as obtaining consents, signing and producing documents, producing receipts and getting documents completed and signed), which the other party asks and considers necessary to:

- (a) bind the party and any other person intended to be bound under this agreement; or
- (b) show whether the party is complying with this agreement.

**17.13 Cooperation**

Without limiting clauses 3.2 and 3.3, each party agrees to consult with the other party in advance in relation to all communications (whether written or oral, and whether direct or via a Representative) with any Regulatory Authority relating to the Transaction to the extent it is reasonable to do so. For the avoidance of doubt, neither party is required to disclose commercially sensitive information in relation to the communications with any Regulatory Authority to the other party and each party may withhold or redact information

or documents from the other party if and to the extent that they are either confidential to a third party or commercially sensitive and confidential to that party.

#### **17.14 No liability for loss**

Unless this agreement expressly states otherwise, a party is not liable for any loss, liability or costs arising in connection with the exercise or attempted exercise of, failure to exercise, or delay in exercising, a right, power or remedy in connection with this agreement.

#### **17.15 Severability**

If the whole or any part of a provision of this agreement is void, unenforceable or illegal in a jurisdiction it is severed for that jurisdiction. The remainder of this agreement has full force and effect and the validity or enforceability of that provision in any other jurisdiction is not affected. This clause has no effect if the severance alters the basic nature of this agreement or is contrary to public policy.

#### **17.16 Rules of construction**

No rule of construction applies to the disadvantage of a party because that party was responsible for the preparation of, or seeks to rely on, this agreement or any part of it.

#### **17.17 Assignment**

A party may not assign or otherwise deal with its rights under this agreement or allow any interest in them to arise or be varied without the consent of the other party.

#### **17.18 Enforceability**

For the purpose of this agreement:

- (a) QV Equities is taken to be acting as agent and trustee on behalf of and for the benefit of all QV Equities Indemnified Parties; and
- (b) WAM Leaders is taken to be acting as agent and trustee on behalf of and for the benefit of all WAM Leaders Indemnified Parties,

and all of those persons are to this extent taken to be parties to this agreement.

#### **17.19 No representation or reliance**

Each party acknowledges that:

- (a) no party (nor any person acting on its behalf) has made any representation or other inducement to it to enter into this agreement, except for representations or inducements expressly set out in this agreement;
- (b) it does not enter into this agreement in reliance on any representation or other inducement by or on behalf of any other party, except for any representation or inducement expressly set out in this agreement; and
- (c) clauses 17.19(a) and 17.19(b) above do not prejudice any rights a party may have in relation to information which had been filed by the other party with ASIC or ASX.

## **18 Governing law**

### **18.1 Governing law and jurisdiction**

The law in force in the place specified in the Details governs this agreement. The parties submit to the non-exclusive jurisdiction of the courts of that place.

**18.2 Serving documents**

Without preventing any other method of service, any document in an action in connection with this agreement may be served on a party by being delivered or left at that party's address for service of notices under clause 14.2.

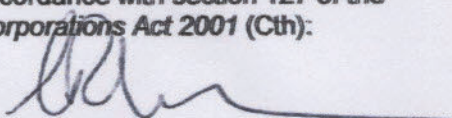
## **Schedule 1      Indicative Timetable (clause 5.1)**

<b>Event</b>	<b>Date</b>
Sign Scheme Implementation Agreement and joint public announcement of the Transaction	Date of this agreement
Lodge draft Scheme Booklet with ASIC	Late April 2024
First Court Date	Mid – Late May 2024
Despatch of Scheme Booklet	Mid – Late May 2024
Scheme Meeting	Late June 2024
Election Date	Late June 2024
Second Court Date	Early July 2024
Calculation Date	Early July 2024
Lodge Court order with ASIC (Effective Date)	Early July 2024
Record Date	Early July 2024
NTA calculations are Confirmed	Mid July 2024
Implementation Date	Mid July 2024

**Signing pages**

**EXECUTED** as an agreement

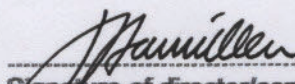
**EXECUTED** by **WAM LEADERS  
LIMITED (ACN 611 053 751)** in  
accordance with section 127 of the  
*Corporations Act 2001 (Cth)*:



Signature of director

**LINDSAY MANN**

Name of director (block letters)



Signature of director/company secretary\*

\*delete whichever is not applicable

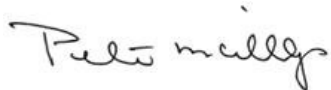
**JESSE HAMILTON**

Name of director/company secretary\*  
(block letters)

\*delete whichever is not applicable



**EXECUTED** by **QV EQUITIES LIMITED (ACN 169 154 858)** in accordance with section 127 of the *Corporations Act 2001* (Cth):



.....  
Signature of director

Peter McKillop

.....  
Name of director



.....  
Signature of director

Eamonn Roles

.....  
Name of director



## **Annexure A    Public Announcement**

## WAM Leaders and QV Equities set to merge

12 March 2024  
ASX announcement  
and media release

WAM Leaders Limited (**WAM Leaders**) (ASX: WLE) and QV Equities Limited (**QVE**) (ASX: QVE) are pleased to announce that they have entered into a Scheme Implementation Agreement (**SIA**) (which is annexed to this announcement) to merge the two entities (**Proposed Transaction**).

It is proposed that WAM Leaders will acquire 100% of the shares in QVE through a Scheme of Arrangement (**Scheme**). Under the Scheme, QVE shareholders will have the option to receive either new WAM Leaders shares (**Scrip Consideration**) or cash (**Cash Consideration**), or a combination of both.

Scrip Consideration will be based on the pre-tax net tangible assets (**pre-tax NTA**) per share of WAM Leaders and QVE. QVE shareholders will not be offered a fixed number of shares in WAM Leaders. The number of WAM Leaders shares that QVE shareholders will receive will be determined by a formula based on the pre-tax NTA of QVE and WAM Leaders on the date on which the Scheme becomes legally binding (**Calculation Date**).

QVE shareholders may elect to receive cash for their QVE shares at a 2.5% discount to the pre-tax NTA per share of QVE on the Calculation Date, or a combination of both Scrip Consideration and Cash Consideration. The payment of Cash Consideration and allotment of WLE shares for the Scrip Consideration (as per each QVE shareholder's election) will be effected as at the Implementation Date, which is expected to occur in mid July 2024.

### **Scrip Consideration** – pre-tax NTA

**WAM Leaders shares** – the number of new WAM Leaders shares to be issued to each QVE shareholder will be calculated by reference to the relative pre-tax NTA per share of WAM Leaders and QVE on the Calculation Date, determined in the same manner as per each company's periodic announcements to the ASX in accordance with the ASX Listing Rules and the Australian Accounting Standards. The pre-tax NTAs of each entity will be adjusted for any associated Transaction Costs<sup>1</sup>.

### **Cash Consideration** – 2.5% discount

QVE shareholders will receive cash equal to a 2.5% discount to the QVE pre-tax NTA per share on the Calculation Date, after adjusting for Transaction Costs<sup>1</sup>. QVE shareholders can elect Cash Consideration or part Scrip Consideration and part Cash Consideration.

For example<sup>2</sup>, based on the most recently reported pre-tax NTAs of QVE (as at 8 March 2024) and WAM Leaders (as at 29 February 2024):

- QVE shareholders would receive 0.7609 new WAM Leaders shares for each QVE share they hold under the Proposed Transaction as Scrip Consideration (**Indicative Exchange Ratio**);
- This represents an indicative market value of \$1.058 per QVE share, a 16.9% increase over the closing price of QVE on 30 January 2024, and 18.3% uplift over the one-month VWAP of QVE up to and including 30 January 2024, being the date prior to the announcement of WAM Leaders' intention to make an off-market takeover bid for QVE (**Takeover Offer**); and
- The Cash Consideration would be \$1.02 per QVE share, a 2.5% discount to the QVE pre-tax NTA per share on 8 March 2024.

It is the current intention of the WAM Leaders Board to ensure that all QVE shareholders who receive WAM Leaders shares as part of the Scrip Consideration under the Scheme will be eligible to receive the FY2024 fully franked final dividend guidance of 4.6 cents per share announced by WAM Leaders on 26 February 2024.

<sup>1</sup> Transaction Costs of QVE (as that term is defined in the SIA) includes, inter alia, D&O Run-Off Insurance, termination fees in respect of the Management Agreement (0.9% of QVE's net tangible assets) and professional advisers.

<sup>2</sup> Based on WAM Leaders' pre-tax NTA of \$1.38 per share as at 29 February 2024 and closing share price of \$1.39 per share on 11 March 2024 and QVE's pre-tax NTA of \$1.05 per share and closing share price of \$0.905 per share on 30 January 2024 and the one-month volume weighted average price (**VWAP**) of QVE shares traded on the ASX up to and including 30 January 2024 of \$0.894. The indicative market value depends on the value of WAM Leaders' share price and pre-tax NTA and QVE's pre-tax NTA, at the Calculation Date and the WAM Leaders share price at the time the Scheme Consideration is issued (on the Implementation Date), which could be higher or lower than the example used. Similarly, the Cash Consideration depends on QVE's pre-tax NTA on the Calculation Date and could be higher or lower than the example used. The example excludes any Transaction Costs of QVE that may continue to be incurred in relation to the Scheme.

It is also expected that QVE shareholders will receive a quarterly dividend determined in its ordinary and usual course of business of up to 1.3 cents per share for the March 2024 quarter under the Proposed Transaction, to be paid in June 2024. Any such dividend declared by QVE will not exceed 1.3 cents per QVE share.

WAM Leaders Chairman and Chief Investment Officer Geoff Wilson AO said: “The WAM Leaders Board of Directors and QVE’s Independent Directors believe that the Scheme will be beneficial to both companies and result in a strong merged entity leveraging Wilson Asset Management’s investment strategy and experience in managing listed investment companies, to the benefit of all shareholders. We look forward to welcoming QVE shareholders to the Wilson Asset Management community.”

### Application to ASIC for conditional relief in relation to the Takeover Offer

The proposed merger of WAM Leaders and QVE follows the announcement of the Takeover Offer by WAM Leaders on 31 January 2024 and the announcement by QVE of a formal evaluation of strategic options for QVE. WAM Leaders has applied to the Australian Securities and Investments Commission (ASIC) for conditional relief from certain obligations under the *Corporations Act 2001* (Cth) in relation to the Takeover Offer. If granted, that ASIC relief would extend the period for making the Takeover Offer to a date allowing time for the Proposed Transaction to be considered by QVE shareholders for approval.

### Recommendation by the QVE Independent Directors

Each of the QVE Independent Directors<sup>3</sup> recommends that QVE shareholders vote in favour of the Scheme at the Scheme Meeting subject to no Superior Proposal emerging and subject to the Independent Expert concluding (and continuing to conclude) that the Scheme is in the best interests of QVE’s shareholders. Subject to those same qualifications, the Independent Directors each intend to vote any shares they own or control in favour of the Scheme.

Reasons for the QVE Independent Directors’ recommendation will be provided in a Scheme Booklet, which QVE will distribute in due course. The Scheme Booklet will include details of the Scheme, including a copy of the Independent Expert’s report, the formal scheme of arrangement documentation and details regarding the forthcoming meeting of QVE shareholders.

QVE Chairman and Independent Director Peter McKillop said: “We are pleased to announce the Proposed Transaction, which represents an enhanced offer compared with the Takeover Offer and is an attractive proposition for QVE shareholders providing the opportunity to narrow the persistent valuation discount to NTA and realise consideration for their shares at a premium to QVE’s recent share price history.”

### Key benefits of the Proposed Transaction

The Proposed Transaction would result in a single listed investment company (LIC) with a larger capital and shareholder base and greater on-market liquidity. The WAM Leaders Board of Directors believe the merged entity will deliver the following benefits to QVE shareholders:

- a stable and clearly articulated investment strategy and a proven investment manager with a track record of providing long-term investment portfolio outperformance for shareholders;
- access to a higher annual fully franked dividend yield;
- access to a more sustainable fully franked dividend as indicated by WAM Leaders’ history of paying fully franked dividends to shareholders and its superior profits reserve;
- access to Wilson Asset Management’s investment expertise, experience and commitment to shareholder engagement;
- access to WAM Leaders’ significantly larger market capitalisation and on-market liquidity; and
- a reduced management expense ratio as a result of the removal of duplication of expenses such as ASX listing fees, share registry fees, audit fees, compliance costs and other public listed company costs, as well as a larger pool of assets across which to spread expenses.

<sup>3</sup> Comprising Peter McKillop, Eamonn Roles and Linda Fox (QVE Independent Directors).

## Key benefits of the merger for QVE shareholders

The Proposed Transaction with WAM Leaders offers QVE shareholders the following benefits:

- the potential for QVE shareholders to narrow the valuation discount to NTA and exit their investment at a premium to QVE's recent share trading history;
- the option to receive Scrip Consideration (i.e. new WAM Leaders shares) equal to QVE's pre-tax NTA per share<sup>4</sup>, or alternatively the Cash Consideration at a 2.5% discount to QVE's pre-tax NTA per share<sup>4</sup>, or a combination of the two;
- the potential for scrip-for-scrip capital gains tax rollover relief for QVE shareholders who receive the Scrip Consideration, subject to their own individual circumstances; and
- the potential for QVE shareholders who receive Scrip Consideration to share in the benefit from any residual QVE franking credits transferred across to the combined entity.

## Key benefits of the merger for WAM Leaders shareholders

The WAM Leaders Board of Directors believe the Proposed Transaction will provide WAM Leaders shareholders with access to greater on-market liquidity through a larger market capitalisation of almost \$2.0 billion (based on the WAM Leaders share price on 11 March 2024) with approximately 30,000 shareholders<sup>5</sup>.

It will also increase WAM Leaders' relevance in the marketplace while providing a lower management expense ratio as a result of the removal of duplication of expenses such as ASX listing fees, share registry fees, audit fees, compliance costs and other public listed company costs, as well as a larger pool of assets across which to spread expenses.

## Scheme Implementation Agreement and indicative timeline

WAM Leaders and QVE have entered into the attached Scheme Implementation Agreement (**SIA**), which contains the terms and conditions on which WAM Leaders and QVE will implement the Proposed Transaction. The SIA includes a number of customary clauses and is subject to a number of conditions precedent including QVE shareholders approving the Scheme in accordance with the *Corporations Act 2001* (Cth), the Independent Expert concluding (and continuing to conclude) that the Proposed Transaction is in the best interests of QVE shareholders and the Court approving the Scheme.

Subject to any adjustments required by ASIC or ASX, the date and time for determining the exchange ratio will be 5pm on the date the Scheme becomes legally binding, i.e. after both QVE shareholders and the Court have approved the Scheme. This will ensure that any changes to QVE's and WAM Leaders' pre-tax NTA per share before the Scheme has been approved by the Court will be accounted for in the determination of the exchange ratio for the Scrip Consideration and the value of the Cash Consideration.

It is currently anticipated that QVE shareholders will be given the opportunity to vote on the Scheme at a meeting expected to be held in late June 2024. Detailed information relating to the Scheme will be set out in the Scheme Booklet, which is expected to be sent to QVE shareholders during mid-to-late May 2024. An indicative timetable for the Proposed Transaction is set out below:

Event	Expected Date
First Court Date	Mid – Late May 2024
Scheme Booklet sent to QVE shareholders	Mid – Late May 2024
Scheme Meeting	Late June 2024
Second Court Date	Early July 2024
Effective Date / Calculation Date for the exchange ratio	Early July 2024
Record Date	Early July 2024
Implementation Date	Mid July 2024

The indicative timetable may change and is subject to finalisation and review with the ASX.

QVE shareholders do not need to take any specific action at this time.

<sup>4</sup> As determined at the Calculation Date.

<sup>5</sup> Market capitalisation is based on WAM Leaders share price of \$1.39 on 11 March 2024 and the number of WAM Leaders shares estimated to be issued based on the Indicative Exchange Ratio of 0.7609 WAM Leaders shares per QVE share assuming all QVE shareholders participate in the Scrip Consideration.

### QVE contact details and advisors

QVE is being advised by Monash Advisory, EY, and Hazelbrook Legal. For further information, please contact:

**Peter McKillop, Chairman**

E: [QVE@hazelbrooklegal.com](mailto:QVE@hazelbrooklegal.com)

**Jake Waddell, Corporate Affairs**

T: 0417 312 902

### WAM Leaders contact details and advisors

WAM Leaders is being advised by Mills Oakley as legal adviser.

For more information contact:

**Chief Financial Officer & Company Secretary**

Jesse Hamilton

T: 0401 944 807

E: [jesse@wilsonassetmanagement.com.au](mailto:jesse@wilsonassetmanagement.com.au)

**Corporate Affairs**

Camilla Cox

T: (02) 9247 6755

E: [camilla@wilsonassetmanagement.com.au](mailto:camilla@wilsonassetmanagement.com.au)

This announcement has been authorised by the boards of WAM Leaders Limited and QV Equities Limited.

### About QV Equities Limited

QV Equities (QVE) is a listed investment company, established in August 2014. It seeks to provide investors with a consistent and sustainable income stream while also aiming for capital growth over time. QVE invests in companies listed on the Australian Stock Exchange (ASX), outside the S&P/ASX 20 Index. For more information visit [www.qvequities.com](http://www.qvequities.com).

## About WAM Leaders

WAM Leaders Limited is a listed investment company (LIC) managed by Wilson Asset Management. Listed in May 2016, WAM Leaders provides investors with exposure to an active investment process focused on identifying large-cap companies with compelling fundamentals, a robust macroeconomic thematic and a catalyst.

All major platforms provide access to WAM Leaders, including Asgard eWRAP Investment, BT Panorama, BT Wrap, Colonial First State FirstWrap, Hub24, IOOF Pursuit Select Investment Service, Macquarie Investment Manager / Consolidator, MLC Wrap IDPS and SMS, Netwealth Wrap and North Investment.

Listed  
May 2016



WAM Leaders receives coverage from the following independent investment research providers:



## About Wilson Asset Management

Wilson Asset Management has a track record of making a difference for shareholders and the community for 25 years and is the investment manager for eight LICs – WAM Capital (ASX: WAM), WAM Leaders (ASX: WLE), WAM Global (ASX: WGB), WAM Microcap (ASX: WMI), WAM Alternative Assets (ASX: WMA), WAM Strategic Value (ASX: WAR), WAM Research (ASX: WAX) and WAM Active (ASX: WAA) – and the Wilson Asset Management Leaders Fund. Wilson Asset Management invests over \$5 billion on behalf of more than 130,000 retail investors.

Wilson Asset Management created and is the lead supporter of the first LICs to deliver both investment and social returns: Future Generation Australia (ASX: FGX) and Future Generation Global (ASX: FGG). Wilson Asset Management advocates and acts for retail investors, is a member of the global philanthropic Pledge 1% movement, is a significant funder of many Australian charities and provides all team members with \$10,000 each year to donate to charities of their choice. All philanthropic investments are made by the Investment Manager.



**\$5 billion**  
in funds under management

**>200 Years**  
combined investment experience

**+25 Years**  
making a difference for shareholders

**10**  
investment products

For more information visit [www.wilsonassetmanagement.com.au](http://www.wilsonassetmanagement.com.au) or contact:

**Geoff Wilson AO**  
Chairman &  
Chief Investment Officer

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**Kate Thorley**  
Chief Executive Officer

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0405 115 644

**Jesse Hamilton**  
Chief Financial Officer

(02) 9247 6755  
0401 944 807

**Samantha Philp**  
Head of Corporate Affairs  
& Marketing

(02) 9247 6755  
0410 696 730



## **Annexure B    Scheme of Arrangement**

**Scheme of  
Arrangement  
under  
Section 411 of the  
Corporations Act**

QV Equities Limited  
(ACN 169 154 858) (**QV Equities**)

Scheme Participants

**MILLS OAKLEY**  
Level 7, 151 Clarence Street  
SYDNEY NSW 2000  
Telephone: +61 2 8289 5800  
Facsimile: +61 2 9247 1315  
DX 13025, SYDNEY MARKET STREET  
[www.millsOakley.com.au](http://www.millsOakley.com.au)

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## Details

Date	2024	
Parties	QV Equities and Scheme Participants	
QV Equities	Name	QV Equities Limited
	ACN	169 154 858
	Address	Level 24, 25 Bligh Street, Sydney NSW 2000
	Email	lucy.adamson@hazelbrooklegal.com; hugh.griffin@hazelbrooklegal.com
	Attention	The directors
Scheme Participants	Each person who is a QV Equities Shareholder at the Record Date, other than WAM Leaders.	
Governing law	New South Wales, Australia	

## 1 Definitions and Interpretation

### 1.1 Definitions

In this Scheme:

**ADI** means authorised deposit taking institution as defined in the *Banking Act 1959* (Cth).

**ASIC** means the Australian Securities & Investments Commission.

**ASX** means ASX Limited or the market operated by it, as the context requires.

**ASX Operating Rules** means the operating rules of ASX Settlement.

**ASX Settlement** means ASX Settlement Pty Ltd (ACN 008 504 532).

**Business Day** has the meaning given in the Listing Rules.

**Calculation Date** means:

- (a) 5:00pm (Sydney time) on the Effective Date; or
- (b) such other time and date as the parties agree in writing.

**Cash Consideration** means for each Scheme Share held by a Scheme Participant who makes an Election, the cash amount representing the value of QV Equities NTA per Scheme Share, discounted by 2.5%.

**Cash Consideration Account** has the meaning given by clause 5.3(d).

**Cash Participant** means Scheme Participant who has made a valid Election to receive Cash Consideration for some or all of their Scheme Shares.

**CC Date** has the meaning given in clause 5.3(b).

**CHES** means the Clearing House Electronic Sub-register System, for the electronic transfer of securities, operated by ASX Settlement.

**Conditions Precedent** means the conditions precedent in clause 3.1 of the Scheme Implementation Agreement.

**Confirmed** means the amounts agreed between the parties in writing and **Confirm** has a corresponding meaning.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Corporations Regulations** means the *Corporations Regulations 2001* (Cth).

**Court** means the Federal Court of Australia, or any other court of competent jurisdiction under the Corporations Act agreed by the parties in writing.

**Deed Poll** means the deed poll dated on or about the date of this Scheme executed by WAM Leaders, under which WAM Leaders covenants in favour of the Scheme Participants to perform the actions attributed to it under this Scheme.

**Details** means the section of this Scheme headed "Details".

**D&O Run-Off Insurance** has the meaning given in the Scheme Implementation Agreement.

**Effective** means the coming into effect, under section 411(10) of the Corporations Act, of the order of the Court made under sections 411(4)(b) in relation to the Scheme.

**Effective Date** means the date on which the Scheme becomes Effective.

**Election** has the meaning given in clause 5.1(a).

**Election Date** means 5:00pm on the date of the Scheme Meeting or such other date as the parties agree in writing.

**Election Form** means a form issued by QV Equities for the purposes of a Scheme Participant making an Election.

**Encumbrance** means any security for the payment of money or performance of obligations, including a mortgage, charge, lien, pledge, trust, power or title retention or flawed deposit arrangement and any "security interest" as defined in sections 12(1) or 12(2) of the PPSA or any agreement to create any of them or allow them to exist.

**End Date** means 16 September 2024 or such other date agreed by WAM Leaders and QV Equities in writing.

**Excluded Shareholder** means WAM Leaders and includes any custodian of WAM Leaders to the extent it is acting in that capacity.

**Explanatory Statement** means the statement under section 412 of the Corporations Act which has been, or will be, registered by ASIC in relation to the Scheme, and forms part of the Scheme Booklet.

**GST** has the meaning given in the GST Act.

**GST Act** means the *A New Tax System (Goods and Services Tax) Act 1999* (Cth).

**Implementation Date** means the:

- (a) 5<sup>th</sup> Business Day following the Record Date; or
- (b) 2<sup>nd</sup> Business Day after the WAM Leaders NTA and QV Equities NTA have both been Confirmed,

whichever date occurs last, or such other date as the parties agree in writing or as may be required by ASX.

**Independent Expert** means the independent expert appointed by QV Equities under the Scheme Implementation Agreement.

**Ineligible Overseas Shareholder** means any person who:

- (a) holds QV Equities Shares and to whom WAM Leaders would be prohibited from issuing Scrip Consideration pursuant to any act, rule or regulation of Australia



which prohibits WAM Leaders from issuing Scrip Consideration to foreign persons;

- (b) holds QV Equities Shares and does not have a Registered Address in Australia, or such other jurisdiction where QV Equities and WAM Leaders may determine it would be lawful and practicable for that registered shareholder to receive an offer under or to participate in the Scheme and receive Scrip Consideration in compliance with applicable laws; or
- (c) is acting on behalf of or for the account of a person who holds QV Equities Shares beneficially and resides in a jurisdiction outside of Australia, except, with the consent of QV Equities and WAM Leaders, such a beneficial shareholder residing in another jurisdiction where QV Equities and WAM Leaders may determine it would be lawful and practicable for that beneficial holder to receive an offer under or to participate in the Scheme and receive Scrip Consideration in compliance with applicable laws.

**Listing Rules** means the listing rules of ASX and any other applicable rules of ASX modified to the extent of any express written waiver by ASX.

**Management Agreement** has the meaning given in the Scheme Implementation Agreement.

**Net Proceeds** means the net proceeds of sale generated by the Sale Agent under clause 5.7(b)(ii) (after deducting any applicable brokerage and other selling costs, Taxes and charges).

**New WAM Leaders Shares** means the WAM Leaders Shares to be issued to Scheme Participants as Scrip Consideration.

**NTA** means the net tangible asset backing of QV Equities or WAM Leaders (as the context requires) per QV Equities Share or WAM Leaders Share (as the case may be) before current and deferred tax balances calculated in accordance with the Corporations Act, Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations. For the avoidance of doubt, the NTA will be calculated on the basis of the last sale price quoted by Refinitiv in respect of the equity and option components of the relevant party's underlying portfolio positions on the Calculation Date.

**PPSA** means the *Personal Property Securities Act 2009* (Cth).

**QV Equities Cash Holdings** has the meaning given by clause 5.3(b).

**QV Equities NTA** means the NTA of QV Equities on the Calculation Date, as calculated and Confirmed in accordance with clauses 5.2(q) and 5.3(m) and, if applicable, 5.4 of the Scheme Implementation Agreement. For the avoidance of doubt, the QV Equities Transaction Costs are considered a liability of QV Equities in calculating the QV Equities NTA.

**QV Equities Share** means a fully paid ordinary share in the capital of QV Equities.

**QV Equities Shareholder** means each person registered in the Share Register as a holder of QV Equities Shares.

**QV Equities Transaction Costs** means, unless otherwise agreed in the Scheme Implementation Agreement, all of QV Equities' costs associated with implementing the Transaction (including registry, court and other filing fees, fees for QV Equities' financial, taxation, legal and other professional advisers, counsel fees, fees of the Independent Expert, costs associated with the D&O Run-Off Insurance, accrued management and performance fees as at the Calculation Date and any other contractual liabilities (such as Management Agreement termination costs), including GST paid on such costs (to the

extent not reduced by an input tax credit)) that have been incurred but remain unpaid as at the Calculation Date. In calculating the QV Equities NTA, QV Equities will also include a deduction of \$550,000 including GST from the QV Equities Transaction Costs.

**Record Date** means 5.00pm on the 2<sup>nd</sup> Business Day following the Effective Date or such other time and date as the parties agree in writing or as may be required by ASX.

**Registered Address** means in relation to a Scheme Participant, the address of the Scheme Participant shown in the Share Register as at the Record Date.

**Registry** means Link Market Services Limited (ACN 083 214 537) or such other person that provides share registry services to QV Equities from time to time.

**Regulatory Authority** includes:

- (a) ASX, ASIC and the Takeovers Panel;
- (a) a government or governmental, semi-governmental or judicial entity or authority, including the ATO;
- (b) a minister, department, office, commission, delegate, instrumentality, agency, board, authority or organisation of any government; and
- (c) any regulatory organisation established under statute.

**Sale Agent** means the agent appointed in relation to the Scheme by WAM Leaders and QV Equities to sell the Scrip Consideration that would have otherwise been issued to Ineligible Overseas Shareholders.

**Scheme** means the scheme of arrangement under part 5.1 of the Corporations Act under which all Scheme Shares held by the Scheme Participants will be transferred to WAM Leaders, together with any amendment or modification made under section 411(6) of the Corporations Act and agreed to in writing by QV Equities and WAM Leaders.

**Scheme Booklet** means the information booklet to be approved by the Court and despatched to QV Equities Shareholders which includes this Scheme, Explanatory Statement, Deed Poll, Independent Expert's report and notice of the Scheme Meeting and proxy form.

**Scheme Consideration** means, depending on the Scheme Participant's Election, the consideration to be provided to each Scheme Participant for the transfer to WAM Leaders of each Scheme Share, being:

- (a) Cash Consideration;
- (b) Scrip Consideration; or
- (c) a combination of Cash Consideration and Scrip Consideration.

**Scheme Implementation Agreement** means the document titled "Scheme Implementation Agreement" between WAM Leaders and QV Equities dated on or around 12 March 2024.

**Scheme Meeting** means the meeting to be convened by the Court at which QV Equities Shareholders will vote on the Scheme.

**Scheme Participant** means each person who is a QV Equities Shareholder at the Record Date other than Excluded Shareholders.

**Scheme Share** means a QV Equities Share held by a Scheme Participant at the Record Date.

**Scrip Consideration** means for each Scheme Share, that number of New WAM Leaders Shares determined in accordance with Schedule 1 and clause 5.

**Scrip Participant** means a Scheme Participant who will receive Scrip Consideration for all or some of their Scheme Shares.

**Second Court Date** means the first day on which the Court hears an application for an order to be made pursuant to section 411(4)(b) of the Corporations Act approving the Scheme or, if the application is adjourned or subject to appeal for any reason, means the day on which the adjourned application or appeal is heard.

**Share Register** means the register of holders of QV Equities Shares maintained by or on behalf of QV Equities.

**Subsidiary** of an entity means another entity which:

- (a) is a subsidiary of the first entity within the meaning of the Corporations Act; and
- (b) is part of a consolidated entity constituted by the first entity and the entities it is required to include in the consolidated financial statements it prepares, or would be if the first entity was required to prepare consolidated financial statements.

A trust may be a subsidiary (and an entity may be a subsidiary of a trust) if it would have been a subsidiary under this definition if that trust were a body corporate. For these purposes, a unit or other beneficial interest in a trust is to be regarded as a share.

**Takeovers Panel** means the panel established under section 171 of the *Australian Securities and Investments Commission Act 1989* (Cth) and continued in existence by section 261 of the *Australian Securities and Investments Commission Act 2001* (Cth).

**Taxes** means taxes, levies, imposts, charges and duties (including stamp and transaction duties) paid, payable or assessed as being payable by any authority together with any fines, penalties and interest in connection with them.

**Transaction** means the acquisition of QV Equities by WAM Leaders through implementation of the Scheme, in accordance with the Scheme Implementation Agreement or as otherwise agreed between the parties in writing.

**WAM Leaders** means WAM Leaders Limited (ACN 611 053 751).

**WAM Leaders NTA** means the NTA of WAM Leaders as at the Calculation Date, calculated and Confirmed in accordance with clauses 5.3(l), 5.2(r), and, where applicable, 5.4 of the Scheme Implementation Agreement. For the avoidance of doubt, the WAM Leaders Transaction Costs are considered a liability of WAM Leaders in calculating the WAM Leaders NTA.

**WAM Leaders Registry** means WAM Leaders' share registry, Boardroom Pty Limited (ACN 003 209 836) and **WAM Leaders Register** means the register held by WAM Leaders Registry.

**WAM Leaders Share** means a fully paid ordinary share in the capital of WAM Leaders.

**WAM Leaders Transaction Costs** means, unless otherwise agreed pursuant to the Scheme Implementation Agreement, all of WAM Leaders' costs associated with implementing the Transaction (including registry, court and other filing fees, fees for WAM Leaders' financial, taxation, legal and other professional advisers, counsel fees, accrued management and performance fees as at the Calculation Date and any other contractual liabilities, including GST paid on such costs to the extent not reduced by an input tax credit) that have been incurred but remain unpaid as at the Calculation Date.

## 1.2 General interpretation

Unless the contrary intention appears, in this Scheme:

- (a) the singular includes the plural and vice versa;

- (b) a reference to a document includes any agreement or other legally enforceable arrangement created by it (whether the document is in the form of an agreement, deed or otherwise);
- (c) a reference to a document also includes any variation, replacement or novation of it;
- (d) a reference to a party, clause, annexure or schedule is a reference to a party to, clause in or annexure or schedule to this Scheme;
- (e) headings (including those in brackets at the beginning of paragraphs) and labels used for defined terms are for convenience only and do not affect the interpretation of this Scheme;
- (f) the meaning of general words is not limited by specific examples introduced by “including”, “for example”, “such as” or similar expressions;
- (g) a reference to “person” includes an individual, a body corporate, a partnership, a joint venture, an unincorporated association and an authority or any other entity or organisation;
- (h) a reference to a particular person includes the person’s executors, administrators, successors, substitutes (including persons taking by novation) and assigns;
- (i) a reference to a time of day is a reference to Sydney time;
- (j) other than as expressly provided in this Scheme, if an act under this Scheme to be done by a party on or by a given day is done after 5.00pm on that day, it is taken to be done on the next day;
- (k) if a day on which a party must do something under this Scheme is not a Business Day, the party must do it on the next Business Day;
- (l) if a period of time dates from a given day or the day of an act or event, it is to be calculated exclusive of that day;
- (m) a reference to dollars, \$ or A\$ is a reference to the currency of Australia;
- (n) a reference to “law” includes common law, principles of equity and legislation (including regulations);
- (o) a reference to any legislation includes regulations under it and any consolidations, amendments, re-enactments or replacements of any of them;
- (p) a reference to “regulations” includes instruments of a legislative character under legislation (such as regulations, rules, by-laws, ordinances and proclamations);
- (q) a reference to a group of persons is a reference to any two or more of them jointly and to each of them individually; and
- (r) a reference to any thing (including an amount) is a reference to the whole and each part of it.

## **2 Preliminary matters**

### **2.1 QV Equities**

- (a) QV Equities is a public company limited by shares, incorporated in Australia and registered in Victoria.
- (b) As at the date of the Scheme Implementation Agreement, QV Equities’ issued securities were 227,412,619 QV Equities Shares.

- (c) The QV Equities Shares are officially quoted on ASX.

## 2.2 WAM Leaders

- (a) WAM Leaders is a public company limited by shares, incorporated in Australia and registered in New South Wales.
- (b) As at the date of the Scheme Implementation Agreement, WAM Leaders' issued securities were 1,260,001,474 WAM Leaders Shares.
- (c) The WAM Leaders Shares are officially quoted on ASX.

## 2.3 Scheme summary

If this Scheme becomes Effective, then on the Implementation Date:

- (a) WAM Leaders will provide or procure the provision of the Scheme Consideration to Scheme Participants in accordance with this Scheme and the Deed Poll (noting that Ineligible Overseas Shareholders will be dealt with in accordance with clause 5.7 below); and
- (b) all the Scheme Shares, together with all rights and entitlements attaching to the Scheme Shares, will be transferred to WAM Leaders, and QV Equities will enter WAM Leaders in the Share Register as the holder of the Scheme Shares, with the result that QV Equities will become a wholly-owned Subsidiary of WAM Leaders.

## 2.4 Implementation

- (a) QV Equities and WAM Leaders have agreed by executing the Scheme Implementation Agreement to implement the Scheme.
- (b) This Scheme attributes actions to WAM Leaders but does not itself impose an obligation on it to perform those actions. WAM Leaders has agreed, by executing the Deed Poll, to perform the actions attributed to it in respect of this Scheme and set out in the Scheme Implementation Agreement, including providing or procuring the provision of the Scheme Consideration to the Scheme Participants and procuring the WAM Leaders Register be updated to reflect the provision of the Scrip Consideration to the Scheme Participants (where relevant). A copy of this Deed Poll forms part of the disclosure materials provided to QV Equities Shareholders prior to the Scheme Meeting.

# 3 Conditions precedent and Effectiveness

## 3.1 Conditions precedent to Scheme

This Scheme is conditional on, and will not become Effective until, the satisfaction of each of the following conditions precedent:

- (a) as at 8:00am on the Second Court Date, neither the Scheme Implementation Agreement nor the Deed Poll have been terminated in accordance with their terms;
- (b) all of the Conditions Precedent as set out in the Scheme Implementation Agreement (other than clause 3.1(c) of the Scheme Implementation Agreement in respect of Court approval of this Scheme) have been satisfied or waived in accordance with the terms of the Scheme Implementation Agreement (unless they cannot be waived, in which case they must be satisfied);
- (c) the Court has approved this Scheme, with or without any modification or condition, under section 411(4)(b) of the Corporations Act, and if applicable, WAM Leaders and QV Equities having accepted in writing any modification or



condition made or required by the Court under section 411(6) of the Corporations Act and any such conditions having been satisfied or waived; and

- (d) the coming into effect, under section 411(10) of the Corporations Act, of the orders of the Court made under section 411(4)(b) of the Corporations Act (and, if applicable, section 411(6) of the Corporations Act) in relation to this Scheme, on or before the End Date.

### **3.2 Conditions precedent and operation of clauses 4 and 8**

The satisfaction of each condition of clause 3.1 of this Scheme is a condition precedent to the operation of clauses 4 and 8 of this Scheme.

### **3.3 Certificate in relation to conditions precedent**

- (a) QV Equities and WAM Leaders must provide to the Court on the Second Court Date a certificate confirming (in respect of matters within their knowledge) whether or not all of the conditions precedent set out in clause 3.1 of this Scheme (other than the conditions precedent in clause 3.1(c) and clause 3.1(d) of this Scheme) have been satisfied or waived as at 8.00am on the Second Court Date.
- (b) The certificate referred to in this clause 3.3 will constitute conclusive evidence of whether the conditions precedent referred to in clause 3.1 of this Scheme (other than the conditions precedent in clause 3.1(c) and clause 3.1(d) of this Scheme) have been satisfied or waived as at 8.00am on the Second Court Date.

### **3.4 Effective Date**

Subject to clauses 3.1 and 3.5, this Scheme will come into effect pursuant to section 411(10) of the Corporations Act on and from the Effective Date.

### **3.5 End Date**

Without limiting any rights under the Scheme Implementation Agreement, this Scheme will lapse and be of no further force or effect if:

- (a) the Effective Date does not occur on or before the End Date; or
- (b) the Scheme Implementation Agreement or the Deed Poll is terminated in accordance with its terms,

unless WAM Leaders and QV Equities otherwise agree in writing.

## **4 Implementation**

### **4.1 Lodgement of Court orders with ASIC**

If the conditions precedent set out in clause 3.1 of this Scheme (other than the condition precedent in clause 3.1(d) of this Scheme) are satisfied, in accordance with section 411(10) of the Corporations Act, QV Equities must lodge with ASIC an office copy of the Court order approving the Scheme as soon as practicable, and in any event, by no later than 5:00pm on the first Business Day after the day on which the Court approves this Scheme, or any later date agreed in writing with WAM Leaders.

### **4.2 Transfer and registration of Scheme Shares**

On the Implementation Date, subject to WAM Leaders paying the Cash Consideration under clause 5.3 and issuing the Scrip Consideration under clause 5.4, and providing QV Equities with written confirmation that this has occurred:

- (a) the Scheme Shares must, without the need for any further act by a Scheme Participant other than acts performed as attorney and agent for the relevant



Scheme Participant by QV Equities under clause 9.7, be transferred to WAM Leaders by:

- (i) QV Equities executing and delivering to WAM Leaders, under the authority in clause 9.7, a valid share transfer form or forms (which may be a master transfer) to transfer all of the Scheme Shares to WAM Leaders;
  - (ii) WAM Leaders executing and delivering that share transfer form or those forms to QV Equities; and
  - (iii) where Scheme Shares are held in a CHESS holding, QV Equities causing a message to be transmitted to ASX Settlement in accordance with the ASX Operating Rules to transfer the Scheme Shares held by the relevant Scheme Participant from the CHESS subregister to the issuer sponsored subregister operated by QV Equities, and subsequently completing a proper instrument of transfer of those Scheme Shares to WAM Leaders under clauses 4.2(a)(i) and 4.2(a)(ii) above; and
- (b) immediately upon receipt of the executed share transfer form or forms, QV Equities must enter the name and address of WAM Leaders in the Share Register as the holder of all Scheme Shares.

## 5 Consideration

### 5.1 Election

- (a) A QV Equities Shareholder may make an election (**Election**) to receive Cash Consideration for some or all of their Scheme Shares (instead of Scrip Consideration) by completing an Election Form, such Election being subject to the terms of this Scheme including clauses 5.5, 5.6 and 5.7.
- (b) Subject to clause 5.1(f), for an Election to be valid:
  - (i) the QV Equities Shareholder must complete and sign the Election Form in accordance with the instructions in the Scheme Booklet and on the Election Form; and
  - (ii) the Election Form must be received by the Registry before the Election Date at the address specified by QV Equities in the Scheme Booklet and on the Election Form.
- (c) An Election made by a QV Equities Shareholder, whether valid or not, will be irrevocable unless WAM Leaders in its absolute discretion agrees to the revocation of the Election.
- (d) If:
  - (i) a valid Election is not made by a QV Equities Shareholder; or
  - (ii) no Election is made by a QV Equities Shareholder,
 then that QV Equities Shareholder will receive Scrip Consideration in respect of all of their Scheme Shares.
- (e) Subject to clause 5.1(f), an Election made or deemed to be made by a QV Equities Shareholder under this clause 5.1 will be deemed to apply in respect of the QV Equities Shareholder's entire registered holding of Scheme Shares at the Record Date, regardless of whether the QV Equities Shareholder's holding of

Scheme Shares at the Record Date is greater or less than the Scheme Participant's holding at the time it made its Election.

- (f) A QV Equities Shareholder who is noted on the Share Register as holding one or more parcels of QV Equities Shares as trustee or nominee for, or otherwise on account of, another person, may in the manner considered appropriate by QV Equities and WAM Leaders (acting reasonably including after consultation with the Registry), make separate elections under this clause 5.1 in relation to each of those parcels of QV Equities Shares (subject to it providing to QV Equities and WAM Leaders any substantiating information they reasonably require), and an Election made in respect of any such parcel, or an omission to make an Election in respect of any such parcel, will not be taken to extend to the other parcels.
- (g) Subject to clauses 5.1(h) and 5.1(i), an Election Form will not be valid unless it is completed and received in accordance with the procedures set out in clause 5.1(b).
- (h) WAM Leaders will, acting reasonably, determine all questions as to the correct completion of an Election Form, and time of receipt of an Election Form. WAM Leaders is not required to communicate with any QV Equities Shareholder prior to making this determination. The determination of WAM Leaders will be final and binding on the QV Equities Shareholder.
- (i) Notwithstanding clause 5.1(b), WAM Leaders may, in its sole discretion, at any time and without further communication to QV Equities Shareholders, deem any Election Form it receives from a QV Equities Shareholder to be a valid Election in respect of the relevant Scheme Shares, even if a requirement for a valid Election has not been complied with.

## 5.2 Entitlement to consideration

Subject to the terms of this Scheme, each Scheme Participant will be entitled to and will receive, depending on whether they make a valid Election, the Cash Consideration or the Scrip Consideration in respect of each of their Scheme Shares, or a combination of Cash Consideration and Scrip Consideration for their Scheme Shares, in accordance with this clause 5 of this Scheme.

## 5.3 Provision of Cash Consideration

- (a) WAM Leaders must use its best endeavours to pay or procure payment of the Cash Consideration to each Scheme Participant that has made a valid Election, by no later than the Implementation Date.
- (b) Subject to applicable law, QV Equities must take all reasonable steps after the Calculation Date but by no later than 12:00pm (midday) on the day that is three Business Days before the Implementation Date (**CC Date**) to transfer all immediate cash holdings in the QV Equities portfolio to the Cash Consideration Account (**QV Equities Cash Holdings**) up to the amount equal to the aggregate amount of the Cash Consideration payable to Scheme Participants.
- (c) To the extent QV Equities Cash holdings are below the amount equal to the aggregate amount of the Cash Consideration payable to Scheme Participants, then:
  - (i) by no later than 3:00pm on the CC Date, QV Equities must advise WAM Leaders in writing the balance of funds in the Cash Consideration Account, as well as any acquisitions or disposals that are yet to be

- settled in connection with assets within the QV Equities portfolio and will become cash;
- (ii) subject to clause 5.3(c)(iii), the parties must work together in good faith and take all steps as reasonably required to provide the required cash from the QV Equities portfolio of investments such that the Cash Consideration Account contains the amount equal to the aggregate amount of the Cash Consideration payable to Scheme Participants; and
  - (iii) the parties acknowledge that from the Calculation Date to Implementation Date and beyond, all economic benefit or loss within the QV Equities portfolio accrues to WAM Leaders and does not affect the consideration payable to Scheme Participants. Notwithstanding clause 5.3(c)(ii), the parties agree QV Equities will not be required to undertake any activity that would be a breach of any of QV Equities' current and future obligations including obligations pursuant to this Scheme.
- (d) WAM Leaders must procure that by no later than the Business Day before the Implementation Date cleared funds in an amount equal to the aggregate amount of the Cash Consideration payable to Scheme Participants has been deposited in an Australian dollar denominated trust account with an ADI operated by QV Equities as trustee for the Scheme Participants (**Cash Consideration Account**) including in respect of meeting any shortfall in cash following the operation of clauses 5.3(c)(i) and 5.3(c)(ii).
  - (e) On the Implementation Date, subject to funds having been deposited in accordance with clause 5.3(b) and 5.3(c), QV Equities must pay or procure the payment, from the trust account referred to in clause 5.3(b), to each Scheme Participant such amount of Cash Consideration as that Scheme Participant is entitled under this clause 5 (if any).
  - (f) The obligations of QV Equities under clause 5.3(e) will be satisfied by QV Equities (in its absolute discretion):
    - (i) where a QV Equities Shareholder has, before the Record Date, made a valid election in accordance with the requirements of the Registry to receive dividend payments from QV Equities by electronic funds transfer to a bank account nominated by the QV Equities Shareholder, paying, or procuring the payment of, the relevant amount in Australian currency by electronic means in accordance with that election; or
    - (ii) otherwise, whether or not the Scheme Participant has made an election referred to in clause 5.1(d)(i), dispatching, or procuring the dispatch of, a cheque for the relevant amount in Australian currency to the Scheme Participant by prepaid post to their Registered Address (as at the Record Date), such cheque being drawn in the name of the Scheme Participant (or in the case of joint holders, in accordance with the procedures set out in clause 5.5).
  - (g) To the extent that, following satisfaction of QV Equities' obligations under clause 5.3(e), there is a surplus in the amount held by QV Equities as trustee for the Scheme Participants in the trust account referred to in that clause, that surplus shall be paid by QV Equities to WAM Leaders.

#### 5.4 Provision of Scrip Consideration

Subject to clauses 5.5 to 5.9 and Schedule 1, WAM Leaders must:

- (a) on the Implementation Date, issue to each Scrip Participant the Scrip Consideration to which it is entitled without the need for any further act by that Scrip Participant other than acts performed as attorney and agent for that Scrip Participant by WAM Leaders under clause 8.3, by causing the name and Registered Address of that Scrip Participant to be entered into the WAM Leaders Register as the holder of the New WAM Leaders Shares issued to that Scrip Participant; and
- (b) within five Business Days of the Implementation Date, procure that a holding statement (or equivalent document) for that Scrip Consideration is sent to the Registered Address of that Scrip Participant.

#### 5.5 Joint holders

In the case of QV Equities Shares held in joint names:

- (a) any Cash Consideration payable or cash payable to an Ineligible Overseas Shareholder in accordance with clause 5.7(c) to the joint holders and any cheque required to be sent under the Scheme will be made payable to the joint holders and sent to the holder whose name appears first in the Share Register as at the Record Date;
- (b) any Scrip Consideration to be issued under this Scheme must be issued and registered in the names of the joint holders and entry in the WAM Leaders Register must take place in the same order as the holders' names appear in the Share Register;
- (c) the holding statement (or equivalent document) to be issued to Scrip Participants pursuant to clause 5.4(b) will be issued in the name of the joint holders and will be forwarded to the holder whose name appears first in the Share Register as at the Record Date; and
- (d) any other document required to be sent under this Scheme will be forwarded to the holder whose name appears first in the Share Register as at the Record Date.

#### 5.6 Fractional entitlements

Where the calculation of a particular Scrip Participant's entitlement to Scrip Consideration would result in an entitlement to a fraction of a New WAM Leaders Share, then, any such fractional entitlement will be rounded to the nearest whole number as follows:

- (a) fractional entitlements of 0.5 or more to a New WAM Leaders Share will be rounded up to the nearest whole number; and
- (b) fractional entitlements of less than 0.5 to a New WAM Leaders Share will be rounded down to the nearest whole number.

#### 5.7 Ineligible Overseas Shareholders

- (a) Where an Ineligible Overseas Shareholder has made a valid Election to receive Cash Consideration, they will receive that Cash Consideration in accordance with clause 5.3.
- (b) WAM Leaders is under no obligation to issue, and will not issue, any Scrip Consideration to Ineligible Overseas Shareholders, and instead:

- (i) all Scrip Consideration that would otherwise be required to be issued to any Ineligible Overseas Shareholder under the Scheme, if they were eligible to receive them, must be issued by WAM Leaders to the Sale Agent;
  - (ii) WAM Leaders must procure that, as soon as reasonably practicable (and in any event not more than 20 Business Days after the Implementation Date), the Sale Agent sells on the ASX all of the Scrip Consideration issued to the Sale Agent under clause 5.7(b)(i) on a “best endeavours” basis (and at the risk of the Ineligible Overseas Shareholders); and
  - (iii) WAM Leaders must procure that the Sale Agent remits to the Registry the Net Proceeds.
- (c) QV Equities must, promptly after the Net Proceeds are remitted to the Registry under clause 5.7(b)(iii), procure the Registry to pay to each Ineligible Overseas Shareholder the amount “**A**” calculated in accordance with the following formula and rounded down to the nearest cent:

$$\mathbf{A} = (\mathbf{B} \div \mathbf{C}) \times \mathbf{D}$$

Where:

**B** = the number of New WAM Leaders Shares that would have been issued to that Ineligible Overseas Shareholder had it not been an Ineligible Overseas Shareholder;

**C** = the total number of New WAM Leaders Shares that would otherwise have been issued to all Ineligible Overseas Shareholders and which are issued to the Sale Agent; and

**D** = the Net Proceeds,

by either:

- (i) despatching, or procuring the despatch, of a cheque in the name of that Ineligible Overseas Shareholder by prepaid post to that Ineligible Overseas Shareholder’s Registered Address, subject to clause 5.5;
  - (ii) making a deposit in an account with any ADI in Australia notified by that Ineligible Overseas Shareholder to QV Equities as recorded in or for the purposes of the Share Register at the Record Date; or
  - (iii) paying, or procuring the payment of, the relevant amount in Australian currency to a bank account nominated by that Ineligible Overseas Shareholder by an appropriate authority from that Ineligible Overseas Shareholder to QV Equities.
- (d) Payment to an Ineligible Overseas Shareholder in accordance with this clause 5.7 satisfies in full the Ineligible Overseas Shareholder’s right to Scrip Consideration.
- (e) Each Ineligible Overseas Shareholder appoints QV Equities as its agent to receive on its behalf any financial services guide or other notices (including any updates of those documents) that the nominee is required to provide to Ineligible Overseas Shareholders under the Corporations Act or any other applicable law.



- (f) Neither QV Equities nor WAM Leaders make any representation as to the amount of proceeds of sale to be received by Ineligible Overseas Shareholders in accordance with this clause 5.7. Both QV Equities and WAM Leaders expressly disclaim any fiduciary duty to the Ineligible Overseas Shareholders which may arise in connection with this clause 5.7.

## 5.8 Unclaimed consideration

- (a) QV Equities may cancel a cheque issued under this clause 5 if the cheque:
- (i) is returned to QV Equities; or
  - (ii) has not been presented for payment within six months after the date on which the cheque was sent.
- (b) During the period of one year commencing on the Implementation Date and in any event not earlier than 20 Business Days after the Implementation Date, on request from a Scheme Participant, QV Equities must reissue a cheque that was previously cancelled under clause 5.8(a).
- (c) The *Unclaimed Money Act 1995* (NSW) will apply in relation to any Cash Consideration or Scrip Consideration issued as cash proceeds to an Ineligible Overseas Shareholder which becomes 'unclaimed money' (as defined in section 7 of that Act).

## 5.9 Orders of a court or Regulatory Authority

If written notice is given to QV Equities (or the Registry) of an order or direction made by a court of competent jurisdiction or by another Regulatory Authority that:

- (a) requires payment to a third party of a sum in respect of QV Equities Shares held by a particular Scheme Participant, which would otherwise be payable to that Scheme Participant as Cash Consideration or Scrip Consideration, or a combination of both, in accordance with this clause 5, QV Equities may, if that Scheme Participant is a:
- (i) Cash Participant, make payment (or procure that payment is made) of the Cash Consideration in accordance with that order; and/or
  - (ii) Scrip Participant, direct WAM Leaders to issue, or to issue to a trustee or nominee, the Scrip Consideration in accordance with that order; or
- (b) prevents payment of Cash Consideration or Scrip Consideration to any particular Scheme Participant in accordance with this clause 5 or the payment is otherwise prohibited by applicable law, QV Equities may, if that Scheme Participant is:
- (i) an Ineligible Overseas Shareholder, retain an amount, in Australian dollars, equal to the relevant Ineligible Overseas Shareholder's share of the Net Proceeds received by QV Equities pursuant to clause 5.7(b)(iii);
  - (ii) a Cash Participant, retain an amount, in Australian dollars, equal to the Cash Consideration; and/or
  - (iii) a Scrip Participant, direct WAM Leaders not to issue, or to issue to a trustee or nominee, the Scrip Consideration,

to which the Scheme Participant would otherwise be entitled, until such time as provision of the relevant Cash Consideration and/or Scrip Consideration in accordance with this clause 5 is permitted by that order or otherwise by law.



## 5.10 Title to and rights in Scheme Shares

- (a) Immediately upon the provision of the Scrip Consideration to each Scheme Participant or to the Sale Agent (as applicable, and in accordance with this clause 5), WAM Leaders will be beneficially entitled to the Scheme Shares transferred to it under this Scheme pending registration by QV Equities of the name and address of WAM Leaders or its custodian in the Share Register as the holder of all Scheme Shares.
- (b) To the extent permitted by law, the Scheme Shares (including all rights and entitlements attaching to the Scheme Shares) transferred under this Scheme to WAM Leaders will, at the time of transfer to WAM Leaders, vest in WAM Leaders free from all:
  - (i) Encumbrances and interests of third parties of any kind, whether legal or otherwise; and
  - (ii) restrictions on transfer of any kind.
- (c) To avoid doubt, notwithstanding clause 5.10(a), to the extent that clause 5.9(a) applies to any Scheme Participant, WAM Leaders will be beneficially entitled to any Scheme Shares held by that Scheme Participant immediately upon compliance with clause 5.9 on the Implementation Date as if WAM Leaders had provided the Scrip Consideration to that Scheme Participant.

## 6 Dealings in QV Equities Shares

### 6.1 Determination of Scheme Participants

To establish the identity of Scheme Participants, QV Equities will only recognise dealings in Scheme Shares if:

- (a) in the case of dealings of a type to be effected using CHESS, the transferee is registered in the Share Register as the holder of the QV Equities Shares on or before the Record Date; and
- (b) in all other cases, registrable transfers or transmission applications in respect of those dealings are received by the Registry on or before the Record Date. QV Equities must register those registrable transfers or transmission applications received on or before the Record Date,

and QV Equities will not accept for registration, nor recognise for any purpose, any transfer or transmission application or other request received after such times, or received prior to such times but not in registrable or actionable form, as appropriate, except a transfer to WAM Leaders pursuant to this Scheme and any subsequent transfer by WAM Leaders.

### 6.2 No issue

QV Equities must not issue any QV Equities Shares after the Effective Date and on or before the Implementation Date.

### 6.3 No registration of transfers

If this Scheme becomes Effective:

- (a) a holder of Scheme Shares (and any person claiming through that holder) must not dispose of or purport or agree to dispose of any Scheme Shares or any interest in them after the Effective Date in any way except as set out in this Scheme, and any such disposal will be void and of no legal effect whatsoever; and

- (b) QV Equities must not accept for registration nor recognise for any purpose any transmission application, transfer or other dealing in respect of QV Equities Shares received after the Record Date, other than a transfer to WAM Leaders, in accordance with this Scheme.

#### **6.4 Statements of holding**

Subject to provision of the Scrip Consideration and registration of the transfer to WAM Leaders contemplated in clause 4.2, all statements of holdings (or certificates) for Scheme Shares will cease to have any effect from the Record Date as documents of title in respect of those Scheme Shares, except as evidence of entitlement to the Scrip Consideration or the Cash Consideration (as applicable).

#### **6.5 Maintenance of Share Register**

- (a) In order to determine entitlements to the Scrip Consideration or Cash Consideration (as applicable), QV Equities must maintain, or procure the maintenance of, the Share Register in accordance with this clause 6 and close the Share Register as at the Record Date.
- (b) The Share Register in this form will solely determine the entitlements of Scheme Participants to the Scrip Consideration or Cash Consideration (as applicable).

#### **6.6 Details of Scheme Participants**

As soon as possible and in any event within one Business Day of the Record Date, QV Equities must make available to WAM Leaders the details of the names, Registered Addresses and holdings of QV Equities Shares for each Scheme Participant as shown in the Share Register as at the Record Date, in the form WAM Leaders reasonably requires.

### **7 Quotation of QV Equities Shares**

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#### **7.1 Suspension of trading**

QV Equities must apply to ASX for QV Equities Shares to be suspended with effect from the close of trading on the Effective Date.

#### **7.2 Termination of quotation**

After the Scheme has been fully implemented and on a date after the Implementation Date to be determined by WAM Leaders, QV Equities must apply for termination of the official quotation of QV Equities Shares and to have itself removed from the official list of ASX.

### **8 WAM Leaders' obligations and ancillary matters**

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#### **8.1 Status of New WAM Leaders Shares**

The Scrip Consideration to be issued in accordance with this Scheme will:

- (a) be validly issued;
- (b) be fully paid;
- (c) be free from any Encumbrance; and
- (d) rank equally in all respects with all existing WAM Leaders Shares then on issue (other than in respect of any dividend already declared or determined and not yet paid by WAM Leaders, where the record date for entitlement to that dividend occurred prior to the Record Date).

## **8.2 Quotation of Scrip Consideration**

WAM Leaders will do everything reasonably necessary to ensure that trading in the New WAM Leaders Shares commences by the first Business Day after the Implementation Date.

## **8.3 Appointment of WAM Leaders as attorney and agent**

On the Effective Date, each Scrip Participant, without need for any further act, irrevocably appoints WAM Leaders and each of its directors and officers, jointly and severally, as that Scrip Participant's attorney and agent for the purpose of executing any form of application required for Scrip Consideration to be issued to that Scrip Participant under this Scheme.

## **8.4 Scheme Participants bound**

Each Scheme Participant (including those who do not attend the Scheme Meeting, do not vote at that meeting or vote against the Scheme):

- (a) agrees to the transfer of their Scheme Shares together with all rights and entitlements attaching to those shares in accordance with this Scheme;
- (b) for all purposes including section 231 of the Corporations Act, if they are to receive New WAM Leaders Shares under the Scheme, agrees to have their name and address entered into the WAM Leaders Register, become a member of WAM Leaders and to accept the Scrip Consideration issued to them in accordance with this Scheme subject to, and to be bound by, WAM Leaders' constitution and other constituent documents; and
- (c) agrees and acknowledges that the issue of the Scheme Consideration in accordance with clause 5 constitutes satisfaction of all that person's entitlements under this Scheme.

# **9 General Scheme provisions**

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## **9.1 Consent to Court amendments to this Scheme**

If the Court proposes to approve this Scheme subject to any alterations or conditions:

- (a) QV Equities may by its counsel consent on behalf of all persons concerned to those alterations or conditions; and
- (b) each Scheme Participant agrees to any such alterations or conditions to which counsel for QV Equities has consented.

## **9.2 Further action by QV Equities**

Each Scheme Participant irrevocably consents to QV Equities doing all things (on its own behalf and on behalf of each Scheme Participant) necessary or incidental to give full effect to the implementation of this Scheme and the transactions contemplated by it.

## **9.3 Instructions QV Equities**

Binding instructions or notifications between a Scheme Participant and QV Equities relating to Scheme Shares or a QV Equities Shareholder's status as a Scheme Participant (including any instructions in relation to payment of dividends or communications from QV Equities) will (to the extent permitted by law), from the Record Date, be deemed by reason of this Scheme to be similarly binding instructions and notifications in respect of the New WAM Leaders Shares. WAM Leaders will accept any such instructions or notifications until they are, in each case, revoked or amended in writing addressed to WAM Leaders at the WAM Leaders Registry.

#### 9.4 Warranties by Scheme Participants

- (a) Each Scheme Participant acknowledges that this Scheme binds QV Equities and all Scheme Participants, including those who do not attend the Scheme Meeting and those who do not vote, or vote against this Scheme, at the Scheme Meeting.
- (b) Each Scheme Participant:
  - (i) agrees to the transfer of their Scheme Shares together with all rights and entitlements attaching to those shares in accordance with this Scheme;
  - (ii) agrees to the variation, cancellation or modification of the rights attached to their Scheme Shares, as relevant, constituted by or resulting from this Scheme; and
  - (iii) agrees to, at the direction of WAM Leaders, destroy any share certificates relating to their Scheme Shares.
- (c) Each Scheme Participant is taken to have warranted to WAM Leaders, and appointed and authorised QV Equities as its attorney and agent to warrant to WAM Leaders, that it has no existing rights to be issued any QV Equities Shares, QV Equities options, QV Equities convertible notes or any other QV Equities securities.
- (d) Each Scheme Participant is taken to have warranted to WAM Leaders, and appointed and authorised QV Equities as its attorney and agent to warrant to WAM Leaders, that:
  - (i) all of its Scheme Shares transferred to WAM Leaders under this Scheme, including any rights and entitlements attaching to those shares, will, at the date of transferring them, be fully paid and free from all:
    - (A) Encumbrances; and
    - (B) restrictions on transfer of any kind (but acknowledging that a security interest holder may potentially have an interest in the Scrip Consideration in accordance with the terms of that security interest); and
  - (ii) it has full power and capacity to transfer its Scheme Shares to WAM Leaders together with any rights and entitlements attaching to those shares under the Scheme.
- (e) QV Equities undertakes that it will provide the warranties in clauses 9.4(c) and 9.4(d) to WAM Leaders as agent and attorney of each relevant Scheme Participant.

#### 9.5 Title to and rights in Scheme Shares

- (a) To the extent permitted by law, the Scheme Shares (including all rights and entitlements) transferred under this Scheme to WAM Leaders will, at the time of transfer to WAM Leaders, vest in WAM Leaders free from all:
  - (i) Encumbrances; and
  - (ii) restrictions on transfer of any kind.

- (b) Immediately upon the provision of the Scheme Consideration to the Scheme Participant in the manner contemplated in clause 5, WAM Leaders is beneficially entitled to the Scheme Shares transferred to it under this Scheme pending registration by QV Equities of WAM Leaders in the Share Register as the holder of those Scheme Shares.

## 9.6 Appointment of sole proxy

Immediately upon the Scheme Consideration being issued by WAM Leaders to each Scheme Participant under clause 5 and until QV Equities registers WAM Leaders as the holder of all Scheme Shares in the Share Register:

- (a) each Scheme Participant is deemed to have appointed WAM Leaders as attorney and agent (and to have directed WAM Leaders in that capacity) to appoint any director, officer, secretary or agent nominated by WAM Leaders as its sole proxy and where applicable or appropriate, corporate representative to attend shareholders' meetings, exercise the votes attaching to the Scheme Shares registered in their name and sign any shareholders' resolution whether in person, by proxy or by corporate representative;
- (b) no Scheme Participant may itself attend or vote at any shareholders' meetings or sign any shareholders' resolutions, whether in person, by proxy or by corporate representative (other than under clause 9.6(a));
- (c) each Scheme Participant must take all other actions in the capacity of a registered holder of Scheme Shares as WAM Leaders reasonably directs; and
- (d) each Scheme Participant acknowledges and agrees that in exercising the powers conferred by clause 9.6(a), WAM Leaders and any director, officer, secretary or agent nominated by WAM Leaders under that clause may act in the best interests of WAM Leaders as the intended registered holder of the Scheme Shares.

## 9.7 Authority given to QV Equities

- (a) Each Scheme Participant, without the need for any further act, irrevocably appoints QV Equities and each of its directors, officers and secretaries (jointly and each of them severally) as its attorney and agent for the purpose of:
  - (i) enforcing the Deed Poll against WAM Leaders;
  - (ii) executing any document, or doing or taking any other act, necessary, desirable or expedient to give effect to this Scheme and the transactions contemplated by it, including executing any share transfer forms,
 and QV Equities accepts that appointment.
- (b) QV Equities, as attorney and agent of each Scheme Participant, may sub-delegate its functions, authorities or powers under this clause 9.7 to all or any of its directors, officers or employees (jointly, severally or jointly and severally).

## 9.8 Scheme binding

Each of the Scheme Participants:

- (a) irrevocably consents to QV Equities and WAM Leaders doing all things necessary or expedient for or incidental to the implementation of this Scheme; and
- (b) acknowledges that this Scheme binds QV Equities and all of the Scheme Participants (including those who do not attend the Scheme Meeting and those

who do not vote, or vote against this Scheme, at the Scheme Meeting) and, to the extent of any inconsistency, overrides the constitution of QV Equities.

## **10 General**

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### **10.1 Stamp duty**

- (a) WAM Leaders will:
  - (i) pay or reimburse all stamp duty, registration fees and any similar Taxes payable or assess as being payable (if any) and any related fines and penalties payable on or in respect of this Scheme; and
  - (ii) indemnify each Scheme Participant against, and agrees to reimburse and compensate it, for any liability arising from failure to comply with clause 10.1(a)(i).
- (b) However, WAM Leaders need not pay, reimburse or indemnify against any fees, fines, penalties or interest to the extent they have been imposed because of QV Equities' delay.

### **10.2 Notices**

- (a) If a notice, transfer, transmission application, direction or other communication referred to in this Scheme is sent by post to QV Equities, it will not be taken to be received in the ordinary course of post or on a date and time other than the date and time (if any) on which it is actually received at QV Equities' registered office or at the office of the Registry.
- (b) The accidental omission to give notice of the Scheme Meeting or the non-receipt of such a notice by any QV Equities Shareholder does not, unless so ordered by the Court, invalidate the Scheme Meeting or the proceedings of the Scheme Meeting.

### **10.3 Governing law**

The law in force in New South Wales governs this Scheme. The parties submit to the non-exclusive jurisdiction of the courts of that place and waives, without limitation, any claim or objection based on absence of jurisdiction or inconvenient forum.

### **10.4 Serving documents**

Without preventing any other method of service, any document in an action in connection with this Scheme may be served on a party by being delivered or left at that party's address set out in the Details.

### **10.5 Further action**

QV Equities must promptly execute all documents and do all acts and things as may be necessary or expedient (on its own behalf and on behalf of each Scheme Participant) to implement and give full effect to this Scheme in accordance with its terms.

### **10.6 No liability when acting in good faith**

Without prejudice to each parties' rights under the Scheme Implementation Agreement, each Scheme Participant agrees that QV Equities, WAM Leaders and their respective directors, officers, secretaries and employees will not be liable for anything done or omitted to be done in performance of this Scheme or the Deed Poll in good faith.



## Schedule 1      Scrip Consideration

1. The New WAM Leaders Shares to be issued to each Scrip Participant (or the Sale Agent, in respect of each Ineligible Overseas Shareholder) as Scheme Consideration is calculated on the following basis:

$$CU = (A \div B) \times D$$

Where:

- CU =** the number of New WAM Leaders Shares to be issued to each Scrip Participant (rounded to the nearest whole number in accordance with clause 5.6).
- A =** the QV Equities NTA per QV Equities Share on the Calculation Date (calculated and Confirmed in accordance with the Scheme Implementation Agreement).
- B =** the WAM Leaders NTA per WAM Leaders Share on the Calculation Date (calculated and Confirmed in accordance with the Scheme Implementation Agreement).
- D =** the number of Scheme Shares held by the Scrip Participant at the Record Date.

2. If the Scheme becomes Effective, QV Equities must no later than 8am on the Business Day prior to the Implementation Date, notify WAM Leaders of the New WAM Leaders Shares to be issued to each Scrip Participant and the Sale Agent as Scrip Consideration.

**Annexure C    Deed Poll**

## **Scheme Deed Poll**

WAM Leaders Limited (ACN 611 053 751)  
**(WAM Leaders)**

In favour of each Scheme Participant

**MILLS OAKLEY**

Level 7, 151 Clarence Street  
SYDNEY NSW 2000

Telephone: +61 2 8289 5800

Facsimile: +61 2 9247 1315

DX 13025, SYDNEY MARKET STREET

[www.millsOakley.com.au](http://www.millsOakley.com.au)

## Details

<b>Date</b>	2024
<b>BY</b>	WAM Leaders Limited (ACN 611 053 751) of Level 26, Governor Phillip Tower, 1 Farrer Place, Sydney NSW 2000 ( <b>WAM Leaders</b> )
<b>IN FAVOUR OF</b>	Each person who is a QV Equities Shareholder at the Record Date, other than WAM Leaders ( <b>Scheme Participants</b> )

## Recitals

- A. WAM Leaders and QV Equities have entered into the Scheme Implementation Agreement, under which WAM Leaders has agreed to enter into this deed.
- B. QV Equities has agreed in the Scheme Implementation Agreement, subject to the satisfaction or waiver of certain conditions, to propose the Scheme.
- C. Under the Scheme, all Scheme Shares held by Scheme Participants will be transferred to WAM Leaders for the Scheme Consideration.
- D. WAM Leaders is entering into this deed to covenant in favour of the Scheme Participants that it will observe and perform its obligations under the Scheme.

## Terms and Conditions

### 1 Definitions and Interpretation

#### 1.1 Defined terms

In this deed:

**Controller** has the meaning given in the Corporations Act.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Details** means the section of this deed headed "Details".

A person is **Insolvent** if:

- (a) it is (or states that it is) an insolvent under administration or insolvent (each as defined in the Corporations Act); or
- (b) it is in liquidation, in provisional liquidation, under administration or wound up or has had a Controller appointed to any part of its property; or
- (c) it is subject to any arrangement, assignment, moratorium or composition, protected from creditors under any statute or dissolved (in each case, other than to carry out a reconstruction or amalgamation while solvent on terms approved by the other parties to this deed); or

- (d) an application or order has been made (and in the case of an application, it is not stayed, withdrawn or dismissed within 14 days), resolution passed, proposal put forward, or any other action taken, in each case in connection with that person, which is preparatory to or could result in any of the things described in paragraphs (a), (b) or (c); or
- (e) it is taken (under section 459F(1) of the Corporations Act) to have failed to comply with a statutory demand; or
- (f) it is the subject of an event described in section 459C(2)(b) or section 585 of the Corporations Act (or it makes a statement from which another party to this agreement reasonably deduces it is so subject); or
- (g) it is otherwise unable to pay its debts when they fall due; or
- (h) something having a substantially similar effect to (a) to (g) happens in connection with that person under the law of any jurisdiction.

**QV Equities Directors** means the directors of QV Equities.

**Scheme** means the scheme of arrangement under part 5.1 of the Corporations Act under which all Scheme Shares held by the Scheme Participants will be transferred to WAM Leaders, together with any amendment or modification made under section 411(6) of the Corporations Act and agreed to in writing by QV Equities and WAM Leaders.

All other words and phrases used in this deed have the meaning given to them in the Scheme.

## 1.2 Interpretation

The rules for interpretation specified in clause 1.2 of the Scheme apply in interpreting this deed unless the context otherwise requires, except that references to 'this Scheme' are to be read as references to 'this deed'.

## 1.3 Nature of deed poll

WAM Leaders acknowledges that:

- (a) this deed may be relied on and enforced by any Scheme Participant in accordance with its terms even though the Scheme Participants are not party to it; and
- (b) under the Scheme, each Scheme Participant irrevocably appoints QV Equities and any of the QV Equities Directors (jointly and each of them severally) as its agent and attorney to enforce this deed against WAM Leaders.

# 2 Condition precedent and termination

## 2.1 Condition

WAM Leaders' obligations under clause 3 are subject to the Scheme becoming Effective (other than clause 3.1(a), which applies on and from the date of this deed).

## 2.2 Termination

If:

- (a) the Scheme Implementation Agreement is terminated in accordance with its terms before the Scheme becomes Effective; or
- (b) the Scheme does not become Effective on or before the End Date,

then WAM Leaders' obligations under this deed automatically terminate and the terms of this deed are of no further force or effect, unless WAM Leaders and QV Equities otherwise agree in writing.

### 2.3 Consequences of termination

If this deed is terminated under clause 2.2, then, in addition and without prejudice to any other rights, powers or remedies available to WAM Leaders or the Scheme Participants:

- (a) WAM Leaders is released from its obligations to further perform this deed except those obligations contained in clause 7.4 and any other obligations which by their nature survive termination; and
- (b) each Scheme Participant retains any rights, power or remedies it has against WAM Leaders in respect of any breach of this deed by WAM Leaders that occurred before termination of this deed.

## 3 Obligations and Scheme Consideration

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### 3.1 Performance of obligations generally

- (a) WAM Leaders must comply with its obligations under the Scheme Implementation Agreement and do all acts and things necessary or desirable on its part to give full effect to the Scheme.
- (b) Subject to clause 2, WAM Leaders undertakes in favour of each Scheme Participant to perform the actions attributed to it under the Scheme as if it were a party to the Scheme.

### 3.2 Undertaking to provide Scheme Consideration

Subject to clause 2, WAM Leaders undertakes in favour of each Scheme Participant to:

- (a) provide or procure the provision of the Scheme Consideration to each Scheme Participant (or to the Sale Agent in respect of Ineligible Overseas Shareholders) in accordance with the terms of the Scheme; and
- (b) undertake all other actions attributed to it under the Scheme.

## 4 Representations and warranties

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WAM Leaders represents and warrants to each Scheme Participant that:

- (a) **(status)** it is a company limited by shares and validly existing under the laws of its place of incorporation, and has power and authority to own its assets and carry on its business as it is now being conducted;
- (b) **(power)** it has full legal capacity and power to enter into this deed and to carry out the transactions that this deed contemplates;
- (c) **(corporate authority)** it has taken all corporate action that is necessary or desirable to authorise its entry into this deed and its carrying out of the transactions this deed contemplates;
- (d) **(deed effective)** this deed constitutes legal, valid and binding obligations, enforceable against it in accordance with its terms (except to the extent limited by equitable principles and laws affecting creditor's rights generally) subject to any necessary stamping;
- (e) **(rank equally)** the New WAM Leaders Shares to be issued as Scrip Consideration under the Scheme will:



- (i) be validly issued;
- (ii) be fully paid;
- (iii) be free from any Encumbrance;
- (iv) rank equally in all respects with all existing WAM Leaders Shares on issue as at the Implementation Date (other than in respect of any dividend already declared or determined and not yet paid by WAM Leaders, where the record date for entitlement to that dividend occurred prior to the Record Date); and
- (v) be approved for official quotation by ASX, subject to any conditions which ASX may reasonably require and which are acceptable to both WAM Leaders and QV Equities, acting reasonably and promptly;
- (f) **(no restrictions)** this deed does not conflict with, or result in the breach of or default under, any provision of its constitution, or any writ, order or injunction, judgment, law, rule or regulation to which it is a party or subject or by which it is bound; and
- (g) **(solvency)** it is not Insolvent.

## 5 Continuing obligations

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This deed is irrevocable and, subject to clause 2, remains in full force and effect until:

- (a) WAM Leaders has completely performed its obligations under this deed; or
- (b) the earlier termination of this deed under clause 2.2.

## 6 Variation and assignment

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### 6.1 Variation

This deed or any right created under it may not be varied, altered or otherwise amended unless:

- (a) before the Second Court Date:
  - (i) QV Equities and WAM Leaders agree to that variation, alteration or amendment in writing; and
  - (ii) the Court indicates that the variation, alteration or amendment would not itself preclude approval of the Scheme; or
- (b) on or after the Second Court Date, WAM Leaders agrees to a variation in writing as approved by the Court,

in any of which events, WAM Leaders must enter into a further deed poll in favour of Scheme Participants giving effect to that variation.

### 6.2 Assignment

The rights and obligations of a person under this deed are personal. They cannot be assigned, novated, encumbered, charged or otherwise dealt with at law or in equity without the prior written consent of WAM Leaders, and any purported dealing in contravention of this clause 6.2 is invalid.

## **7 General**

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### **7.1 Notices**

Unless expressly stated otherwise in this deed, all notices, certificates, consents, approvals, waivers and other communications in connection with this deed must be in writing and sent to the address stated in the Details, or as otherwise advised by WAM Leaders from time to time, and marked to the attention of the person stated in the Details.

### **7.2 Governing law**

- (a) This deed is governed by the laws in force of New South Wales.
- (b) The parties irrevocably submit to the non-exclusive jurisdiction of the courts exercising jurisdiction in New South Wales, and any court that may hear appeals from any of those courts, for any proceedings in connection with the Scheme, and waive any right they might have to claim that those courts are an inconvenient forum.

### **7.3 Serving documents**

Without preventing any other method of service, any document in an action in connection with this document may be served on a party by being delivered or left at that party's address set out in the Details.

### **7.4 Stamp duty and registration fees**

WAM Leaders must:

- (a) pay or reimburse all stamp duty, registration fees and any similar taxes payable or assessed as being payable, including any related fines, interest and penalties, in respect of or in connection with this deed, the performance of this deed and each transaction effected by or made or any instrument executed under this deed or the Scheme, including the transfer of the Scheme Shares to WAM Leaders under the Scheme; and
- (b) indemnify each Scheme Participant against, and agrees to reimburse and compensate it, for any liability arising from failure to comply with clause 7.4(a),

however, WAM Leaders need not pay, reimburse or indemnify against any fees, fines, penalties or interest to the extent they have been imposed because of QV Equities' delay.

### **7.5 Cumulative rights**

The rights, powers and remedies of WAM Leaders and the Scheme Participants under this deed are cumulative with and do not exclude the rights, powers or remedies provided by law independently of this deed.

### **7.6 Waiver of rights**

- (a) Failure to exercise or enforce, or a delay in exercising or enforcing, or the partial exercise or enforcement, of a right provided by law or under this deed by a party does not preclude, or operate as a waiver of, the exercise or enforcement, or further exercise or enforcement, of that or any other right provided by law or under this deed.
- (b) A waiver or consent given by a party under this deed is only effective and binding on that party if it is given or confirmed in writing by that party.
- (c) No waiver of a breach of a term of this deed operates as a waiver of another breach of that term or of a breach of any other term of this deed.

**7.7 Consent**

WAM Leaders consents to QV Equities producing this deed to the Court.

**7.8 Further assurances**

WAM Leaders must promptly do all further acts and execute and deliver all further documents (on its own behalf or on behalf of each Scheme Participant) necessary or desirable to give full effect to this deed and the transactions contemplated by this deed.

**7.9 Severability**

If the whole or any part of a provision of this deed is void, unenforceable or illegal in a jurisdiction it is severed for that jurisdiction. The remainder of this deed has full force and effect and the validity or enforceability of that provision in any other jurisdiction is not affected. This clause 7.9 has no effect if the severance alters the basic nature of this deed or is contrary to public policy.

## Execution page

**EXECUTED** as a deed poll

**SIGNED, SEALED AND DELIVERED** by  
**WAM LEADERS LIMITED (ACN 611 053 751)**  
in accordance with section 127 of the  
*Corporations Act 2001* (Cth):

.....  
Signature of Director

.....  
Signature of Director / Company Secretary  
(delete as applicable)

.....  
Name of Director  
(Please print)

.....  
Name of Director / Company Secretary  
(Please print)